



Forest Certification in Maine

Report of the Speaker's Advisory Council on Forest Certification
April 2002

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Executive Summary

“Five years ago, certification was in its infancy and the public was clamoring for better regulation of the forest industry. Today, certification has taken hold and the public outcry has diminished, (Governor) King said.”

-Bangor Daily News, November, 28, 2001

Governor King’s address to the 2001 forest certification conference organized by the Maine Forest Products Council, the Maine Tree Foundation, the College of the Atlantic, and the University of Maine lauded a remarkable achievement. Forest certification systems have subjected Maine’s forestlands to an unprecedented level of scrutiny. The unique prominence of third-party audits in Maine has led to a level of openness unknown elsewhere. Also significant is the degree of detailed information available to Maine citizens and policymakers.

Forest certification has been one of the most contentious and most promising aspects of Maine’s long running public debate on forestry. Two major systems compete for the attention and draw the most discussion in Maine; the Forest Stewardship Council (FSC) and the Sustainable Forestry Initiative (SFI). FSC had its origins and initial support from international environmental organizations. It’s founding assembly in 1993 included environmental and social organizations, timber industries, and forest certification groups. SFI is the creation of the American Forest & Paper Association (AF&PA), the preeminent US timber industry organization, though the SFI program is increasingly distinct from the AF&PA.

A study commissioned by the two programs and Home Depot in the summer of 2001 created a comprehensive and balanced review of the two systems. The study, the Meridian report, the findings of which the Speaker’s Council adopted for the comparison of the two programs standards, concluded that the systems have large areas of agreement but also have different intents due in part to their origins, which the report explored in great detail.

This report summarizes the work of the Council to examine issues surrounding forest certification. The analysis yielded several findings and recommendations.

Findings

- Maine has benefited from the practice of certification through increased public dialogue and improved forest management.

- The immense public values inherent in the biodiversity of Maine’s forests and the ecological services these forests provide create a role for private landowners to manage in recognition of those values.
- Landowner concerns with the FSC process (not the standard) indicate a need to improve its program management. Development of workable and consistent regional standards and a streamlining of the dispute resolution process are being addressed.
- Consumer demand and pressure for certified forest products has not developed as quickly as was initially anticipated.
- All participants including, policy makers, landowners, and foresters recognize the difficulty of encouraging the participation of small woodland owners in certification systems.
- Independent, thorough, and objective public reporting is essential to a credible certification system. Both systems can improve their delivery of comprehensive and informative reports.

Recommendations

The Council recommends...

- The conservation of native biodiversity and ecological function
- Participating mills should individually explore avenues to give preference to wood from certified and well-managed sources while discouraging the use of wood from poorly managed forests.
- Efforts to increase the participation of small woodland owners in certification, focusing on the development of benefits such as market access and the fostering of a “green” premium.
- Both programs need to continue promoting sustainable forestry, reforestation, and appropriate water quality and riparian area protection for wood coming from non-certified lands. In the SFI program, implementation of the recent changes in the SFI 2002-2004 will offer significant improvements. For FSC, the issue (that of how non-certified raw materials are handled with respect to percentage based claims) is mostly with chips and pulpwood, as FSC has a strong chain of custody process for solid wood.

Additionally, the Council has several recommendations for Maine State government.

The Council recommends...

- Continued Certification of State Lands (Public Reserved and Non-reserved Lands)
- Availability of Certification Information and Links to Reports on the Department of Conservation Website
- Study of Current Forest Management Planning Tax Credit
- Encourage Market Development for Certified Wood Products
- Exploration of Tangible Benefits of Third-Party Certification
- Institute a Periodic Review of Certification
- Explore a “Green” Purchasing Initiative

Section 1 About the Council

1.1 History of the Council

Maine has had a long tradition of public use and therefore a strong public interest in private forest lands. This is unique in the country partly due perhaps to the extensive nature of these forestlands. Not only do private landowners own and control large tracts of forestland in Maine; these tracts tend to be contiguous blocks of virtually unbroken forestland with extensive public access. Although posting of lands against trespassing is increasing in southern and central Maine, public access for hunting, fishing, and recreation is common there as well.

Recent referenda on forest management practices are often cited as indicative of the intensity of interest and involvement of the Maine public in forest management issues from a variety of viewpoints.

Therefore, given the public’s history of access and use, and the physical nature of the resource, (almost 17,000,000 acres), the interest in the Maine forest by our public should not only be expected but actually valued.

We believe the history and concern for Maine's forestland from an interested and concerned public, as well as a receptive forest industry, has helped raise the visibility and use of forest certification systems to levels that appear to be much higher in Maine than in other areas. In this regard, the Council believes that Maine is truly leading the way in the implementation of certification systems.

On September 13, 2001, Speaker Michael V. Saxl convened the first meeting of The Speaker's Advisory Council on Forest Certification. The Council was intended as an effort to define and explore how third party certification functions in Maine. Examining the two major certification systems at work in the state, the Sustainable Forestry Initiative (SFI) and the Forest Stewardship Council (FSC), as well as the American Tree Farm System, the Council hoped to provide a tool for consumers, policy makers, and others interested in certification to easily evaluate the different aspects of the available programs. Council members hoped to provide a picture of how these systems function in the field, not just as a set of standards, as has been the case with previous comparisons.

The idea for the Council grew out of Speaker Saxl's previous work in the area of Maine's forest products industry. Previously, the Speaker convened a round table of labor representatives, pulp and paper industry representatives, loggers and others who work in the Maine woods, and legislators from paper making towns to discuss issues surrounding the loss of natural resource related jobs in the state.

Third party certification holds promise as a means for Maine to both understand and increase the multiple values of Maine's forest resources. Growing interest and awareness by consumers and large retailers of certification systems makes it more important for an education process to take place. This council and this report are intended to make information on certification accessible to a wider audience.

1.2 Membership

The Council consists of eight members appointed by the Speaker of the Maine House of Representatives. The members are all people who have practical expertise in at least one of the following areas: forest management, silviculture, timber harvesting, forest protection, forest ecology, auditing, wildlife biology, plant ecology, forest economics and forest management of both large and small ownerships.

The members of the Council are:

Mr. Robert Bryan
Forest Ecologist
Maine Audubon

Ms. Dawn Gallagher

Deputy Commissioner
Maine Department of Conservation

Mr. John S. Gunn
Vice President, Conservation & Land Management
Hancock Land Company

Mr. Lloyd Irland
President
The Irland Group

Mr. Ralph Knoll
Director, Planning and Land Acquisition
Maine Bureau of Parks and Lands

Mr. Tony Lyons
General Manager, New England Forest Resources, Paper Division
Mead Paper

Mr. Jeffery Romano
Executive Director
Small Woodland Owners Association of Maine

Dr. G. Bruce Wiersma
Dean, College of Natural Sciences, Forestry, & Agriculture
University of Maine

1.3 Meetings

The Council set a schedule of nine meetings and invited who they felt would be appropriate speakers to present their views and experiences regarding the questions asked in the guidelines and to answer any additional questions raised during the presentations. An effort was also made to invite public comment on the Council's guidelines and to invite the public to attend any meetings of the Council.

Each meeting was designed to address a particular program or set of concerns raised by the Council's guidelines. The Council sought to invite both a speaker to discuss the particulars of the certification system's standards and a speaker with experience in conducting an audit in Maine using those standards.

The schedule of meetings was:

September 13, 2001, 9:00AM- Convene, discuss the best way to proceed, create a work plan, and request necessary information

September 25, 2001, 9:00AM-12:00PM- Review information requested during previous meeting and request additional information as appropriate. Receive presentations from Jim Blanck, Maine Forest Service and Mario Teisl, University of Maine.

October 10, 2001, 9:00AM-12:00PM- Review of Sustainable Forestry Initiative-Speak with Tony Lyons of Mead, Lloyd Irland, Bill Leak of the U.S. Forest Service, and Linda Alverson.

October 24, 2001, 9:00AM-12:00PM- Review of Forest Stewardship Council-Speak with Bob Seymour of the University of Maine about his role as part of the Seven Islands, J.D. Irving, and Maine Bureau of Parks and Lands audits, as well as Chuck Gadzik. John McNulty or another representative of Seven Islands will discuss the latest Northeast Certification Standards and comment on their audit experience.

November 7, 2001, 9:00AM-12:00PM- Review of alternative certification systems and why some landowners choose not to engage in certification programs. It will be important to look at how these systems and approaches relate to the experience of small woodlot owners in Maine. Speak with Eric Palola of the National Wildlife Fund representing Smartwood systems, Harold Burnett of Two Trees Forestry. Also, speak with Tom Colgan of Wagner Forestry about why he does not participate in a third party certification system.

November 19, 2001, 9:00AM-12:00PM Experience of loggers and the State of Maine-Speak with Ralph Knoll about the State's Bureau of Parks and Lands experiences in their own on-going dual audit. We will also speak with Sandra Brawders, of the Professional Logging Contractors of Maine.

December 6, 2001, 9:00AM-12:00PM Review of the American Tree Farm System by Mike Dann of the Seven Islands Land Company. Also, conduct a discussion of the drafting process.

December 20, 2001, 9:00AM-12:00PM The Council will comment on and consider received drafts and await a public comment draft to interested parties.

1.4 Responsibilities and Objectives

At the first meeting, Council members discussed a set of guidelines designed to focus the council's efforts. The resulting document is excerpted below:

The Council shall study and report upon the forest certification systems being used in Maine. In particular, the Council is charged with answering the following questions, though should not refrain from addressing such issues members feel are important:

Audit Process

I. What criteria and benchmarks, if any, are used by the forest certification system to measure the following:

- A. Sustainability of harvest rates for timber volume, quality, and species composition;
- B. Trends for timber species composition and quality on the audited land, and trends for types of products being produced on the land;
- C. Protection of water quality;
- D. Protection of soil productivity and integrity;
- E. Use of non-native species, exotic species, herbicides and pesticides;
- F. Protection and inventory of biological diversity, including plant and wildlife habitat and ecological processes at the site and landscape level;
- G. Presence of a landscape or ecosystem management approach being defined in management plans, implemented in actual practice and monitored with respect to actual outcomes.
- H. Protection and inventory of endangered, threatened and rare species and unique natural areas;
- I. Condition of non-company lands that supply wood to the audited landowner's mill, as measured by A-H above;
- J. "Good corporate citizenship" in terms of labor and wage issues, public recreational accessibility, and support for local communities.

II. Do the forest certification systems consist of objective, measurable, and mandatory criteria?

III. Does the forest certification system have a means to measure and ensure continuous improvement?

Specifics of Audit Teams

IV. What measures are in place by forest certification systems to ensure the independence and credibility of the audits, auditors, and audit reports?

V. Is the public report prepared and released by the auditors or can the company that was audited prepare it?

VI. How many person-hours did the audit team spend on the ground in conducting its audit? Do the forest certification systems mandate numbers of personnel relative to the size of the parcel being audited?

VII. How much of the forest certification system assessment is based upon observed field performance vs. the existence of management systems?

Accessibility of Information

VIII. Are the answers to the questions asked in Section I, A-J determinable from the reports made publicly available by the forest certification system or by the landowner?

IX. Are clear and comprehensive forest certification system reports easily available to policymakers and the public? Do the public reports describe management activities in a way that is accessible to the public and policy makers?

X. How broad-based (in terms of stakeholder groups) is the development and management of, and support for, the audit system?

XI. How much input does the public have in establishing the standards?

Other Considerations

XII. What is the typical cost/range of costs of conducting an audit under a forest certification system?

XIII. What types of benefits do landowners that undergo forest certification systems typically note or receive? What are the disadvantages?

XIV. What impact does certification have on consumer behavior?

Section 2 About the Forest Certification Programs

2.1 Program Origins

Both the FSC and the SFI cite the 1987 report *Our Common Future*, also known as the Brundtland Commission Report as the starting point for their work. From this common beginning the two programs diverge. Developed by an international association of environmental, economic, and social interest groups, the FSC was designed to be international in scope and adapted region by region to respond to local conditions, while keeping faith with the international standards.

The SFI standard was initially created by the American Forest & Paper Association (AF&PA) as a requirement for continued membership in the organization. This standard has continually come under criticism for its ties to industry. In response to this criticism, the SFI standard setting process has been severed from the AF&PA and entrusted to an independent organization the Sustainable Forestry Board (SFB).

A lengthy pair of timelines detailing the development of the two systems excerpted from the Meridian Report is available in the appendix of this report.

Section 3 About the Meridian Report

3.1 Meridian Institute The “Meridian Institute is a non-profit organization whose mission is:

To solve problems and resolve conflicts arising from the integration of environmental, health, economic, and social issues.

Meridian's facilitators design, convene, and facilitate collaborative problem-solving processes. In these processes, we help people work together to: identify critical issues, Build relationships and trust, construct innovative solutions, and implement effective, durable decisions ” <http://www2.merid.org/comparison/>

3.2 The Meridian Report

Home Depot, the U.S. Forest Stewardship Council (FSC), and the Sustainable Forestry Initiative (SFI) of the American Forest and Paper Association (AF&PA) commissioned the Meridian Institute’s report on forest certification. Billed as a comparative analysis of the two certification systems, this widely anticipated report was expected to settle many points in the ongoing debate over which system, if any, is superior. The full report, titled, *Comparative Analysis of the Forest Stewardship Council and Sustainable Forestry Initiative Certification Programs*, was released October 16, 2001. Program information used for the report is accurate as of June 20, 2001.

The Meridian Report is a product of a 10-member panel formed in December 2000. The sponsors requested that the Meridian Institute convene and facilitate a balanced, diverse panel of experts to produce a factually accurate, consensus-based comparison of the SFI and FSC certification programs. The primary purpose of the report is to provide purchasers of wood and paper products, consumers, and the general public with accurate, relevant information about key similarities and differences between the two programs. The analysis was based on programmatic material available as of June 2001.

The Council felt the Executive Summary* of this exhaustive and detailed report, presents the most balanced view of forest certification program standards available to date. The report found that the two certification systems differ significantly in objectives, governance structures and processes, degree of mandatory public involvement, and in their source of funding. Some overlap was found in the principles and requirements that are part of both programs, though again, differences exist in how those standards are employed.

* http://madison.merid.org/comparison/FSC_SFI_Comp_Analysis-Exec_Summary.pdf

A significant conclusion of the Meridian report is the recognition that FSC and SFI were developed with different objectives.¹

“The SFI program operates under the philosophy of “a rising tide lifts all boats.” It consists of a set of standards aimed at all aspects of the forest industry from landowner to producer and it establishes a baseline of performance that builds on the concepts of sustainable forestry.”

“FSC standards have emerged out of a desire to provide market rewards through the labeling of forest products with a logo designed to distinguish products derived from lands certified as complying with a global set of Principles and Criteria of exemplary forest management or forest stewardship.”

Significant changes are underway in SFI including plans to implement a labeling component and the development of Sustainable Forestry Board (SFB) as the independent oversight arm of the SFI program, changes such as these, if properly handled could alter what are seen as the objectives of the SFI program to include some of the goals of FSC.

The Meridian report is a study of *the program standards, not of the actual field practices*. The report does not consider regional variations in program administration including Maine’s Voluntary Oversight Panel (VOP) or the variations in FSC’s regional standards. Maine’s forest products industry was represented in the study however; John McNulty, Vice President, Seven Islands Land Company participated as a member chosen by all three sponsors. Details of the selection process are available in both the Executive Summary and the full report.

Section 4 The Council’s Evaluation

4.1 Essential Elements of a Forest Certification System

¹ Meridian Institute. 2001. *Comparative Analysis of the Forest Stewardship Council and Sustainable Forestry Initiative Certification Programs, Executive Summary, Introduction and Consensus Statement on Salient Similarities and Differences Between the Two Programs*. pp. 3.

Forest certification can play a significant role in changing the public debate on forestry from one based on limited information and emotion to one based on facts, by providing independent analyses and reporting on forest management. In order to help build public confidence in forestry, certification must be based on credible goals and standards, independent analysis, and objective reporting.

The Council believes that certification systems should have the following major elements:

1. **Credible Audit Standards:** The certification system documents that the goal of forest management is:
 - a. Maintaining the integrity of the forest ecosystem to ensure that biological productivity and diversity are sustainable;
 - b. Maintaining sustainable harvest levels over the long term, including timber volume and quality; and,
 - c. Sustaining public values and benefits, such as local economies and traditional recreational use.
2. **Independent Audit Teams.** Third-party audits by an audit team that represents the full range of forest management and ecosystem sciences.
3. **Public Disclosure of Audit Results of Forest Conditions and Activities.** The independent audit team consistent with customary business confidentiality limitations should prepare a public report. The report should describe the forest and management system of the certified landowner and the results of the audit in terms of organization strengths, mandatory conditions that must be rectified, and opportunities for improvement. The report should be understandable and useful to a wide range of audiences.

As discussed in the following sections, there are many similarities and some differences between the two programs. Because landowners may exceed the minimum requirements of either program, differences that loom large on paper may be less apparent on the ground. These aspects as they relate to the Council's vision of a credible audit system are discussed below.

4.2 Review of SFI and FSC Program Standards

Introduction

After developing essential elements of a forest certification system, the Council set out to question of measuring the criteria used by the two systems.

The Council concluded that rather than conduct its own comparative analysis of the FSC and SFI program standards it would use the Meridian report as the basis for that comparison.

Tables 1 and 2 provide organizational charts for the FSC and SFI systems.

The SFI program particularly continues to move forward with significant change. Most notably, The Sustainable Forestry Board, the newly independent standards setting board of SFI, adopted in December 2001 an extensive set of changes to the SFI Standard and associated Verification Procedures. (The 2002-2004 Edition Sustainable Forestry Initiative Program). These changes are noted to the Meridian Report conclusions outlined below.

Where the Meridian Report did not address one of the Council's subject areas, the Council used the FSC-National Indicators (NI) and SFI Core Indicators (CI) as the basis for comparison. The Council's analysis of the post-Meridian SFI 2002-2004 Standard was included where appropriate.

(Meridian citations refer to pages 13-21 of *Comparative Analysis of the Forest Stewardship Council and Sustainable Forestry Initiative Certification Programs, Volume I*, which is available at http://madison.merid.org/comparison/FSC_SFI_Comp_Analysis-Exec_Summary.pdf.)

The following summary uses the measurement criteria from Section 1.4 to help illustrate the "Essential Elements" from Section 4.1.

4.2.1 Ecosystem Integrity

Protection of water quality: (*Speaker's Council Guideline: I.C/Meridian: 7*)

The Meridian report concluded that the programs' standards for water quality protection are essentially the same. While both SFI and FSC directly address the issue of roads, they do so differently. SFI emphasizes compliance with state-level Best Management Practices (BMPs), whereas FSC, an international program, includes explicit requirements for road building and maintenance because not all countries have BMPs.

A newly added core indicator in the SFI 2002-2004 Standard now ensures both programs require road construction to be kept to a minimum. The SFI 2002-2004 Standard adds additional core indicators that require monitoring of BMP implementation and plans are in place to address wet weather events and their impact on mill inventories.

Protection of soil productivity and integrity: (*Speaker's Council Guideline: I.D/Meridian: 8 and 12*)

The Meridian study found that both programs' standards address soil protection in fundamentally the same way.

Protection and inventory of biological diversity, including plant and wildlife habitat and ecological processes at the site and landscape level:

(Speaker's Council Guideline: I.F/Meridian: 1,13,15)

The Meridian report found that both programs address biological diversity, but they differ in approach, level of detail, and degree of prescription. FSC requires that “forest management *shall* conserve biological diversity and its associated values.” Additionally FSC further specifies what steps shall be taken to implement management plans relative to species composition/biological diversity.

SFI requires forest management to “*contribute to* the conservation of biological diversity” and links several core indicators to this objective. Additionally, SFI requires that program participants make financial contributions to State Implementation Committees (SIC) supporting research and training on the issue of biological diversity conservation. FSC has no such financial contribution requirements.

The Meridian report found that FSC explicitly requires an assessment of environmental impacts of the forest management operation, whereas the SFI Standard implicitly addresses many of the components of such an assessment through a requirement to plan for and promote wildlife diversity and biodiversity at stand and landscape levels, water quality, and special areas protection within a context of comprehensive forest management planning.

FSC explicitly requires maintenance of forest and stand characteristics that relate to ecological functions (e.g., natural cycles, maintenance of natural diversity). SFI addresses some of the component pieces of this concept, but there is no requirement for owners and managers to take an integrated approach to the ecological function of forests.

The FSC Northeastern Standards (pending final approval) state that “a major goal of Criterion 6.3 (Ecological functions and values shall be maintained intact, enhanced, or restored, including: a) Forest Regeneration and succession. b) Genetic, species, and ecosystem diversity. c) Natural cycles that affect the productivity of the forest ecosystem.) is to maintain habitat sufficient to support healthy and well distributed populations of all native species, except species dependent on old growth, at the landscape level. (Old growth is addressed elsewhere in the FSC standards). The new SFI 2002-2004 Standard includes Core Indicators that require specific actions (e.g. 4.1.4.1.1.4 a plan that sets criteria for stand level wildlife habitat elements to be retained, and in 4.1.4.1.3.1, the collection of biodiversity related data).

Presence of a landscape or ecosystem management approach being defined in management plans, implemented in actual practice and monitored with respect to actual outcomes: *(Speaker's Council Guideline: I.G/Meridian: 14)*

FSC explicitly addresses the concerns of this guideline and while it is not specifically addressed by the SFI program standards, the concept can be found in different indicators and goals.

The FSC requires that the development and implementation of and monitoring of management plans incorporate landscape level considerations (NI 6.3.a.1; NI 7.1.b.6; NI 8.2.b.1). SFI specifically requires that landowners develop and implement programs to promote habitat diversity at the stand and landscape levels (4.1.4; 4.1.4.1.1, CI1).

Protection and inventory of endangered, threatened and rare species and unique natural areas: (*Speaker's Council Guideline: I.H/Meridian: 1 and 15*)

The Meridian study found that both programs require that unique or significant areas be noted and protected, though the breadth and scope of the particular attributes that are explicitly referenced in each program differs. The FSC standard requires the monitoring of "High Conservation Value Forests" (HCVF) on an annual basis, while also prohibiting the active management of any intact old growth areas unless the management can be ecologically justified. SFI standards require identification and appropriate management of "sites of ecological, geological, or historic significance."

Both programs require protection of threatened or endangered plant and animal species, although the level of detail varies. The SFI CI requirement is limited to federally listed endangered or threatened species, whereas the FSC also requires protection of state listed species as well as non-listed sensitive or rare species.

Non-native species, exotic species

(*Speaker's Council Guideline: I.E/Meridian: 4*)

The Meridian study found the FSC standard allows the use of exotic species under carefully controlled conditions designed to prevent the introduction of invasive species and the reduction of biological diversity. The SFI 2002-2004 Standard now requires that plantings of exotic species must be minimized and supported by research documentation that those exotic plantings used operationally pose minimal risk.

Genetically modified organisms

(*Speaker's Council Guideline: I.E/Meridian: 3*)

The Meridian study found differences also exist in how the two programs treat the use of genetically modified organisms, with SFI permitting their use under "sound scientific methods and appropriate federal and state regulation, and other internationally applicable protocols," and FSC prohibiting any use of genetically modified organisms. It should be noted that "genetically modified organisms" is not to be confused with "genetically improved organisms," taken under FSC standards to refer to Mendelian crossed organisms, use of which is permissible.

Herbicides, insecticides and other pesticides

(*Speaker's Council Guideline: I.E/Meridian: 2, 9*)

Both FSC and SFI address the use of pesticides. FSC requires landowners to minimize the use of chemicals. The SFI 2002-2004 Standard now requires participants to minimize chemical use. FSC prescribes the use of Integrated Pest Management as the preferred means of deterring fire, pathogens, and disease. The SFI 2002-2004 Standard now also requires the use of Integrated Pest Management where feasible. FSC specifically bans chlorinated hydrocarbons, whereas SFI requires that the least toxic, narrowest-spectrum (i.e., affects the fewest species) chemicals possible be used.

Condition of non-company lands that supply wood to the audited landowner's mill as measured by Council Guidelines I.A-I.H : (*Speaker's Council Guideline:*

I.I/Meridian: not addressed)

This guideline is not addressed within the Meridian report. Both programs have differing approaches to this issue and the wider issue of the responsibility of certified landowners to promote responsible forestry among other actors in the field.

Possibly one of the most significant changes in the SFI 2002-2004 Standard for wood consuming mills is a new core indicator 4.2.1.1.1.4. The new indicator requires that a verifiable auditing or monitoring system is in place to evaluate the results of promoting reforestation and the use of Best Management Practices within the wood supply systems, and use of that information to set goals for continual improvement. Outreach and education for landowners and loggers is also an important part of the SFI standard. This standard applies to all procurement by SFI-certified mills, regardless of whether the resulting product is labeled as coming from an SFI-certified source.

Other relevant SFI efforts include the recognition of the American Tree Farm System as an appropriate certifying process for small non-industrial landowners and the substantial logger training support and recognition of the Certified Logging Professional (CLP) program.

The FSC program and assurance is limited to land managed by certified companies and wood products that come from certified land. FSC has an extensive Chain of Custody (COC) certification program to track the flow of wood from forests to the end user. Like SFI, FSC does not have a general policy for conservation of biological diversity or sustainable harvesting for the non-certified component of products. The FSC is currently undergoing a review of its policies for products that include non-certified components.

4.2.2 Sustainable Harvesting

Sustainability of Harvest Rates for Timber Volume

(*Speaker's Council Guideline: I.A/Meridian: 6*)

The Meridian report found that both FSC and SFI require harvest levels that are sustainable in the long term. Both programs require that new growth or inventory information be used to regularly update the harvest plan. Additionally, FSC-US

minimum standards require that harvest levels not exceed a ten-year rolling average, established after balanced age-class distribution is attained.

Sustainability of Harvest Rates for Timber Quality

(Speaker's Council Guideline: I.A/Meridian: 6)

Timber quality was not addressed by the Meridian study. Neither system explicitly addresses the issue of sustained quality of forest products from audited lands. Both programs require active forest management, and the Council understands that certifiers do check for acceptable silviculture as part of their field audits.

Sustainability of Harvest Rates for Species Composition

(Speaker's Council Guideline: I.A/Meridian: 6)

Neither program has specific goals or indicators for sustainable harvest rates for species or species groups. Both programs address species composition through their biodiversity standards (see preceding section).

Trends for timber species composition and quality on the audited land, and trends for types of products produced on the lands: *(Speaker's Council Guideline:*

I.B/Meridian: 13)

The Meridian report found that both FSC and SFI require that actual harvest yields be documented and used to inform the required regular updates of a harvest management plan. FSC explicitly requires monitoring stand composition and quality. Although SFI does not specify monitoring species composition, it can be assumed that tree species composition and quality are monitored under the required forest inventory. (FSC NI 8.2.a.1, SFI 4.1.1.1.4, CI 1)

4.2.3 Sustaining Public Values and Benefits

Labor and wage issues

(Speaker's Council Guideline: I.J/Meridian: 18)

The Council has found that in general the SFI Standard has purposefully focused on continual improvement of the practice of sustainable forestry, forest productivity and environmental performance. It is the AF&PA position that the many labor laws, rules and regulations that SFI participants must comply with in the United States and Canada provide adequate protection for workers, neighboring citizens, and the rights of Native Americans.

FSC has an extensive set of social criteria, which largely stems from its global focus, which includes certification in countries that may have little protection for workers and indigenous people. Further, issues related to labor, communities, and socioeconomic concerns are scrutinized and discussed in FSC audit reports.

Access for public recreation

(Speaker's Council Guideline: I.J/Meridian: 25)

Within this guideline, the area of recreational access contains the fewest differences between the two programs. Both programs promote the recreational use of audited lands. SFI emphasizes uses compatible with “forest management objectives” and FSC emphasizes allowing “traditional and customary use...consistent with conservation of forest resources and the objectives of the management plan.”

Support for local communities

(Speaker’s Council Guideline: I.J/Meridian:20, 26, 27)

SFI has no requirements regarding the support of local communities. However, the Meridian report asserts that it is “an underlying premise of the SFI program...that the continued profitability of the industry will lead to the contribution of socioeconomic benefits by SFI program participants to local communities and regions.”

FSC details a number of social/local benefits that should result from forest management operations. FSC’s requirements surrounding the rights of indigenous peoples should also be noted as part of this guideline. FSC includes exhaustive requirements stating that “The legal and customary rights of indigenous peoples to own, use and manage their lands, territories, and resources shall be recognized and respected.”

4.2.4 Audit Process

Do the forest certification systems consist of objective, measurable and mandatory criteria? *(Speaker’s Council Guideline: II/Meridian: not addressed)*

The Meridian Report does not explicitly address the objectiveness or the measurability of either standard’s criteria.

The SFI and FSC systems are each based on principles and indicators:

<u>SFI</u>	<u>FSC</u>
6 overarching Principles	10 overarching Principles
11 Objectives	56 Criteria
34 Performance Measures	138 U.S. National Indicators
117 mandatory Core Indicators	
144 voluntary Indicators	

In response to criticism of the voluntary nature of the SFI Standard’s indicators, 75 were designated as mandatory “Core Indicators” in 2000. With the release of the SFI 2002-2004 Standard, there are now 114 mandatory Core Indicators. AF&PA members are now required to claim compliance with the 114 mandatory core indicators regardless of whether they choose to be third-party audited or not. (AF&PA members have the option of choosing first-party (internal), second-party (affiliated group), or third party (independent) auditors.)

The FSC has had a mandatory set of global Principles and Criteria since 1993. In the U.S. there are 138 mandatory National Indicators used to guide the development of regional standards. The exact number of mandatory indicators may vary from region to region, but the rigor of the regional standards for any subject area may not be less than that of the National Indicators. All FSC audits are third-party.

Many of the indicators in both certification systems are qualitative in nature. Specific thresholds for compliance are wanting due to lack of scientific certainty on many subjects and the great variation in ecosystem conditions, management techniques, and ownership objectives. As a result, auditors must make many professional judgments. What is important is that experienced professionals with knowledge of regional conditions and management practices make these judgments, thus helping to improve on the qualitative nature of the systems. The FSC system provides for peer review of all reports. In the SFI system, the standard provides requirements for auditor qualifications. In addition, Maine's Voluntary Oversight Panel (VOP) process provides a forum similar to a peer review for the actions of the auditors.

Does the forest certification system have a means to measure and ensure continuous improvement? (*Speaker's Council Guideline: III/Meridian: 16,23,24*)

Both programs require significant commitments regarding continuous improvement, training and education. Periodic monitoring and the annual auditing of active certificate holders and the subsequent update of management plans are required under FSC. The SFI Standard requires monitoring, measuring, and annual reporting of performance. Re-audit of the initial SFI third-party verification must occur within three years of the date of the initial audit.

SFI and FSC both require that participants conduct on-going training within their organizations. SFI explicitly requires the support of programs that train logging professionals and others in a wide range of related areas. While no explicit requirements exist in FSC regarding the training of logging professionals, certified landowners are expected to publicly support certification and encourage other landowners to participate in certification.

SFI emphasizes that landowners should provide financial support for forest management research efforts. FSC has no similar requirement, though landowners are encouraged to make use of the latest and best available research.

“The Master Logger Certification program and the Professional Logging Contractors work with Maine’s State Implementation Committee (SFI) has been important in recognizing the role of loggers in sustainable forest management and as a tool of landowners.”
-Sandra Brawders, Professional Logging Contractors of Maine, November 19, 2001

Both programs have similar feedback loops built into certification. Under FSC, certifiers may attach “conditions” to the certificate based on noted deficiencies in one or more program areas. To become certified, a landowner must have a plan to rectify the deficiencies and the problem must be addressed prior to re-certification. SFI has an identical process if “major non-conformances” are identified. Both programs also have a process for voluntary continual improvement. By acting on non-binding “recommendations” (FSC) or “opportunities for improvement” (SFI) identified by

“One benefit (of certification) is better educated foresters. Companies are also forced to stay current on ideas and practices.”
-Linda Alverson, Wildlife Biologist and Mead Audit Participant, October 10, 2001

auditors, companies can improve their performance in subsequent audits.

Given the recent nature of the various certifications reviewed by the Council, it is difficult to

measure what degree of continuous improvement has actually taken place. More time is needed to measure this aspect of the systems.

Independence of the Audit System

The SFI was developed by the American Forest and Paper Association (AF&PA), and The FSC was developed by an independent group that included equal votes among economic, environmental, and social interests. Some companies and/or their customers value FSC’s endorsement from a wide range of stakeholders, including most major environmental groups. Recently, however, the AF&PA has transferred control of the SFI standards development process to an independent standards-setting board, the Sustainable Forestry Board (SFB), with 6 of 15 seats retained by the AF&PA. While the original board was selected by the AF&PA, the SFB now has full governance over how vacancies will be filled. Given the issues of credibility raised by critics of the SFI, the Council thinks this a positive development--one that will only strengthen the SFI process.

The FSC has always been independent of the forest products industry and receives a great deal of its funding and support from a wide array of foundations. It has a set of “Principles and Criteria” developed in 1993 that apply worldwide. Regional working groups set regional standards, which support and further interpret the Principles and Criteria based on local conditions. The FSC-US Northeast Regional Standards, which have been used by certifiers in draft form, are nearing final approval.

The process of selecting FSC working group members has varied from region to region, which has contributed to differences in regional standards. Two landowners who have

“Irving believes that the Maritimes (FSC) working group developed regional standards in a manner that was inconsistent with the process required by FSC, and as a result, Irving decided to withdraw our FSC participation in the Maritime region. We returned our Black Brook certificate to the FSC organization and said we would consider future participation only if the regional standard process was properly followed.”

-Chuck Gadzik, October 24, 2001

been certified under both FSC and SFI testified that lack of balance on the Maritimes working group and FSC’s unsatisfactory response to the working group composition has led to a lack of confidence among some members of Maine’s large landowner community in the ability of the FSC to implement consistent and workable regional

standards. To overcome these problems, the FSC-U.S. has created a set of National Indicators to guide the regional working groups and create consistency between regional standards within the US. The Northeast Working Group of the FSC is reported to be well balanced and its work has strong support from a broad cross-section of the environmental and landowner communities. Nonetheless, some private landowners may not commit to FSC certification until regional standards are finalized and FSC has implemented a more expeditious dispute resolution process.

Maine is unique in the nation in that its SFI program includes an additional oversight panel established through the auspices of the Maine Forest Products Council and as an outcome of a 1998 Legislative Resolution (*Joint Resolution Encouraging the Development of A Sustainable Forestry Initiative*, which was passed as Senate Paper 866 on Tuesday, March 24, 1998). The Verification Oversight Panel (VOP) provides a “peer review” of the process followed in the audit evaluations. This panel is made up of independent, knowledgeable forestry peer reviewers who review every third-party SFI audit conducted in Maine. It issues an independent assessment of the accuracy, completeness and objectiveness of the independent third party audit. This assessment is a public document distributed to State and legislative leadership, and others. The Voluntary Oversight Panel does not judge the adequacy of the SFI system; rather it judges the adequacy of an auditor’s work relative to the SFI standard. The VOP has added credibility to the SFI process in Maine and to some extent has made up for the lack of detail in some SFI audit reports.

Neither program requires public reporting if a certificate is not issued. It should be noted however, that the degree of public consultation that goes into establishing the social aspects of an FSC audit makes it unlikely that the audit would go unnoticed by the public. SFI requires a public report if a company wishes to publicly proclaim the results of the certification. The report, which is the property of the certificate holder and not the certifying body, must include the general results of conformance to the SFI standard. The FSC requires a public report in the event of a positive decision, which must be prepared

by the certifying body and made available on the certifier's website. The Meridian study found that comprehensive public summaries are generally more readily accessible from FSC certifications.

The Council has found that variability in standards and reporting leads to confusion on the part of the public. For example, although the net effect in some cases might be similar levels of biodiversity conservation between an FSC certified company and one certified by SFI, this is impossible to discern based on publicly disclosed audit results only. Alternatively, two landowners within one program could have significantly different, yet certifiable, management techniques. For example, one SFI-certified company requires that a minimum of 3% of the landscape be covered with mature trees large enough to be sawn into lumber, whereas another requires that 40% of the area have mature trees. These factors in turn lead to skepticism on the part of some observers.

4.3 Certification in Maine

4.3.1 How is Certification Implemented in Maine?

This Council did not conduct fieldwork, but we did interview individuals directly involved in certification audits; we reviewed public certification reports from both the FSC and SFI systems; and we discussed their experience with executives of certified landowners. Furthermore, several of the Council members have participated on audit teams, been involved as outside observers or peer reviewers of audits, or have had lands managed by their organizations certified. We believe we gathered and reviewed enough information to support some general conclusions concerning how certification is actually practiced in Maine.

Past comparisons of certification systems, including the Meridian Report, have specifically confined themselves to comparing the standards as published by the certifying bodies. They have not examined actual certification reports, interviewed persons performing certification audits, accompanied auditors into the field, or otherwise inquired into how those audits are actually conducted in the field.

Two sorts of bias can emerge from examining only published standards and procedures. First, it may occur that some criteria in the written procedures are not examined in detail in field audits, or are modified by the auditors due to local factors. Further, since the standards can change in both FSC and SFI systems, existing certifications may not be in compliance with the most recently published standards. For example, when the current draft FSC Regional Standards for this area are finally adopted, there could be provisions that will require certified owners to change practices from what is currently certified when a renewal is sought.

On the other hand, the published standards usually set only minimum standards. For example, under the scoring system used by one FSC-accredited certifier, a landowner can

be certified if they reach a score of 80 out of 100 on the broad categories audited. Just knowing the published rules does not tell us whether certified owners are squeaking by with 81's, or are achieving 95's for scores. FSC scores are available in the public reports released by Scientific Certification Systems. Surely, this is potentially relevant to the public and to policymakers. In the SFI system, it would be important to see whether audits are being held only to minimum standards as published, or whether more extensive lists of indicators and a more intensive audit is being employed. For example, most companies in Maine that have been audited under the SFI system choose to be evaluated on a greater number of criteria than required by SFI.

Finally, under each certification system, "Conditions" or their equivalent exist. A Condition identifies a specific point, such as a practice that does not conform to the standard, which must be addressed and improved, usually on a deadline, in order for a certification to remain valid. The concept underlying Conditions is to give the certified landowner an incentive to improve without withholding the certification itself. Merely reading published standards of a certifying system does not tell a reader how often conditions are used, how significant they may be, nor how effectively they are remedied once agreed to by the landowners. The Council has observed that certifications are frequently issued with conditions that must be addressed by the landowner. Given that most of the certifications are very new, we conducted no specific inquiry into how they are being resolved by certified landowners.

Forest Ecosystem Integrity

The SFI and FSC standards for soil and water quality protection are essentially equivalent. Riparian buffers implemented by certified companies in Maine generally exceed the minimum required by law.

Both programs require that landowners address biological diversity, but FSC places more emphasis on maintenance of biological diversity, old growth conditions, and maintaining natural forest processes and functions. In Maine, some companies that have received SFI certification have exceeded the SFI standard and are developing and implementing landscape goals for conservation of biodiversity.

FSC takes a more restrictive approach to the use of plantations, forest chemicals, and genetically modified organisms. In practice, the use of plantations and forest chemicals is declining on all ownerships in Maine. Change in management philosophy, rather than constraints inherent in certification systems, seems to be the major factor in these declines. Genetically modified organisms are not used on any ownership in Maine.

Sustainable Harvest Levels

The resource and demand conditions facing Maine in the future make this an especially important focal point for public and legislative concern. Both systems require that

landowners harvest sustainably over the long-term. Actually defining whether a planned harvest level is sustainable or not involves extensive use of data, experience and judgment. Under both systems, auditors review landowner data and modeling to assess the soundness of allowable cut calculations and the plausibility of future yield assumptions.

Evidence from Maine indicates the actual level of intensity and detail of audit scrutiny on this point seems to have varied from situation to situation. We heard from one expert who has served on several SFI audit teams who raised this point noting that, “It depends on the auditor.” We are satisfied that in both systems, audit scrutiny of timber sustainability is adequate.

Independence and Qualifications of the Audit Team

Although third-party certification is optional under SFI, the Council has found that in Maine, third-party certification is the norm. It is important for all certifications to continue to use credible regional experts with regional expertise in forestry, timber harvesting and operations, silviculture, and forest ecology. Concerning forest ecology, both wildlife biology and plant ecology expertise should be used. Both SFI and FSC use professional auditing/verification firms to manage and administer the audit implementation. Lead auditors from such firms should meet some minimum nationally recognized accreditation.

In terms of the audit team composition, the qualifications of auditors have varied with both systems. In general, wildlife biologists specializing in vertebrate ecology have undertaken the ecological component of SFI audits. FSC audits have used both plant ecologists and wildlife biologists, although not usually on the same certification. A team approach to auditing which reviews conservation of biological diversity from both plant and animal perspectives should provide a more comprehensive approach to the assessment, but recognizes that this would add to the cost of the audit that might be too high for some landowners.

Public Reporting

The level of detail in reporting seems to vary between landowners and between systems. For example, the certifiers released a very comprehensive FSC certification report for the JD Irving ownership, whereas other reports FSC and SFI alike have had much less detail. The Seven Islands FSC certification report had much greater detail than the report released for its SFI certification. FSC does not require a great level of detail in the public summary reports prepared by the certifier, thus it is clear that some companies are voluntarily disclosing more than is required.

The level of disclosure in SFI certification reports has been increasing, which the Council sees as a positive trend.

Certifiers for both systems have at times tended to release reports that are not easily interpreted by readers unfamiliar with the certification system used or the technical aspects of forest management. The Council has found that reports which convey not only the technical results of the audit but also an overall sense of the performance of a landowner in terms of timber sustainability, ecosystem protection, and other public benefits are useful to a wider audience, including policy-makers and the concerned public.

The third-party certifier, a standard requirement of FSC, has prepared all FSC public certification reports whereas all SFI reports in Maine, with the exception of the Seven Islands report, have been prepared and distributed by the certified landowner. While the certifier must approve of any statements made in a public SFI report prepared by a landowner, the Council notes that disclosure of the audit results from an independent source will probably lead to greater credibility with the public. However, since the landowner approves the level of disclosure under both systems, there are limits to the level of credibility gained by certifier-released reports. Disclosure of the full audit report (minus any confidential information that should be legitimately withheld for reasons of business competition) would do the most to build public confidence in the system.

4.3.2 Does Maine Benefit from Certification?

Maine appears to be unique in its emphasis and attention to certification programs. This is not to imply that certification is not occurring in other states, but rather the visibility of the issue in Maine appears to be heightened relative to other areas. The strong interest in forest practices in Maine has perhaps stimulated this interest in certification. As a result, the state has become nationally recognized as leading in third-party certified acres and independent oversight of certification programs.

Certification of forest management activities has led to improved forest practices on major portions of Maine's forestlands. For the first time, the fundamental principles of sound forest management have been formalized into a hierarchy of standards, both general and specific. These principles have been crafted, in both SFI and FSC, to reflect major forest values, including timber supply, biological diversity, clean water, and recreation. Most importantly, there has been genuine and enthusiastic buy-in to these systems by many large timberland owners and wood consuming mills in Maine. The net effect of certification on forests and forestry in Maine has been positive.

"I became a forester not just to cut trees, but to manage those forest land values that we all appreciate and treasure. SFI has allowed me to truly manage around those values."
-Tony Lyons, Mead Corporation October 10, 2001

For a number of reasons the Council feels that the use of certification has been beneficial

to Maine, regardless of which process is used.

The reasons are:

1. The certification process attempts to (and largely succeeds) in codifying practices that are in accordance with the generally accepted scientific principles of forest management.
2. The certification process in general endorses the need for and value of multiple use scenarios for forestlands.
3. Certification systems create the potential to provide the public with information to help them assess forest practices in Maine.
4. Participation in certification systems is voluntary. No one has to be certified and yet the majority of Maine's large timberlands either have been certified or have been scheduled to be certified. To date approximately 6.9 million acres, or almost 60% of large timberland acreage, (ownerships in excess of 100,000 acres) have been third-party certified under SFI or FSC. (Table 3 in the Appendix). Nearly 80,000 acres or about 1% of smaller ownership acres has been certified. Additionally, roughly 1,800 small woodland owners participate in the American Tree Farm System.
5. The certification systems encourage emphasis on all the components of proper forest management including the importance of non-economic values.
6. Certification has instituted an independent peer review of forest resource operations. This is a unique accomplishment. Few other industries have such external independent peer review processes in place. In this respect, the process is very similar to the academic peer review processes used by the research community. Third-party certification is a tool that can hold landowners accountable for their management claims and for the values that are of mutual concern to Maine citizens and businesses. Certification provides a framework for the forest products industry to showcase their efforts and stewardship.
7. Certification results in a better understanding and implementation of the principles of sustainable forestry than does mandatory regulation of forest practices. Nonetheless, the Council recognizes the need for baseline regulations to protect the public interest.

Current Market Rewards for Certified Wood Products

The Council considered the question of how market incentives may be affecting the progress of forest certification in Maine. Market incentives would exist at two levels. First, they would involve increased demand for labeled products at retail or end user levels of the market. Then, those increased demands would filter back up the supply chain to sawmills, which would then seek certified logs from landowners.

At present, visibility of certified products at retail level is low, partly because the supply is so small. Consumer inquiries for certified product are rare. Well-publicized commitments by several large “big boxes”, including Lowes and Home Depot, and homebuilders have yet to have a noticeable impact on the marketplace at the producer

“Certified land owners may not get a higher price (for their timber), but in some cases they will become a preferred supplier.”
-John Gunn, Hancock Land Company,
September 25, 2001

level. Prof. Mario Teisl of the University of Maine is conducting a program of research on environmental labeling. His research finds that the awareness of labeling programs among consumers is low.

Several landowner representatives, in their presentations to the Council, noted that they are receiving few if any inquiries from their customers for certified logs. Around the Northeast, the picture is similar. The region contains some 5 million acres of FSC certified forestland. Most of the wood being cut on FSC certified lands is not reaching end users “with a label” but is simply being sold as ordinary, uncertified product. Most landowners and mills that have become certified report disappointment with the pace of the development of demand. Several manufacturers in the Northeast that had experienced early success with certified wood have cut back or dropped certified lines due to lack of consumer demand and the difficulty of expanding supply.

The so-called “green premium” has been widely discussed. This is the concept of a product gaining a price premium from customers to reflect its “green” character. A common analogy is the price premium received by sellers of organic baby foods, as much as 21¢ per jar according to a 1997 study (Harris, Michael J. 1997. *Consumers Pay A Price For Organic Baby Foods*. Food Prices. (May-August), pp. 13-16). At this stage, obtaining “green premiums” for certified logs at the landowner level has been elusive. Examples of obtaining such premiums are rare. At the lumber level, it appears that only on export shipments have green premiums been regularly obtained and then only when markets were strong. Even if premiums can be obtained at the end user market level, they will not have much effect at the landowner level. Much of the output of a single acre is pulpwood, firewood, biomass, or lower grades of logs, which will not be converted into high-value products that could gain green premiums at retail.

It is proving to be much harder than was once thought to build growing, vibrant markets for certified wood products. The reasons for this situation are complex. Nevertheless, experts on the market agree that development of larger markets for certified wood will take time. What counts for now is that it does not seem realistic to expect market incentives. Still, interest in certification is growing, as evidenced by a late November 2001 conference on the subject held in Augusta, which drew an audience of some 200 people.

Recognizing the market situation, FSC Officials are working on market development ideas. An organization called the Certified Forest Products Council is working to develop a program to increase the visibility of and demand for certified wood.

The forest industry has been receiving inquiries for a labeled product from its high volume lumber and paper customers. During this year, the industry's SFI program plans to roll out a product label to respond to this need.

Potential State Roles

Given that market incentives to certify forestland are presently small, it is a reasonable question to ask what a suitable state government role might be if it is believed that certification deserves state promotion and support. We think there should be a state role in assisting mills and distributors to build the market for certified wood. We prefer a market development program that is generally available rather than an effort to cost-share the upfront expenses of certification. A market development initiative would enable the state to assist a wider number of firms at different levels of the market. At present, mills with certified logs cannot find demand for all the certified wood they could produce. If the industry can build the market, the existing supply of certified logs could be sold with a label, and then demand would emerge for more.

The Council believes that there would be promise in efforts by the Maine Forest Service and the University to pursue two initiatives:

1. Market development efforts that would focus on boosting end-user and specifier awareness of the products we are now producing from the existing supply of certified logs. A relatively short list of products is involved, and a number of small firms could benefit.
2. "Chain of custody" workshops should be held which would familiarize more loggers, mills, and woodyards with the opportunities, practices, and costs of becoming certified to distribute and sell wood from certified sources. These efforts should focus on building the marketing chain for logs produced from the existing base of certified land.

We believe there may be foundation or other private sources of funding to assist in this work. It could be handled as part of general marketing education and not necessarily solely to promote certification.

A final role for the state on the demand side would be to develop a State “Green purchasing” policy for wood products. This approach is receiving attention already. The University has officials designated at the System level and at the campuses to develop such policy. Several private institutions are doing likewise. At present, they logically see their priorities in the areas of energy efficiency, paper, and recycling. We urge that State government set in motion a multi-stakeholder review to design a nuanced, businesslike, and workable Green purchasing policy for its wood product and paper needs. An expanding base of experience is developing on this issue.

Additional state assistance would be helpful in disseminating information on forest certification and serving as a directory to the many audit reports and public summaries available regarding Maine’s forestlands.

The State should also examine the effectiveness of current efforts to encourage responsible forest stewardship with an eye towards incorporating the encouragement of landowner participation in forest certification.

4.4 Issues faced by Small Woodland Owners

Small woodland owners in Maine face a number of challenges relative to certification, including: certification has been designed for larger ownerships, certification is an additional cost of ownership with limited benefits, and there are inadequate resources available to certify small landowners. The two active forest certification systems for small woodland owners in Maine, the Tree Farm System and the Forest Stewardship Council, each present one or more of these barriers to the participation of small woodland owners in forest certification systems.

“One problem is a lack of certified foresters”
-Harold Burnett of Two Trees Forestry
discussing the barriers facing small woodlot
owners from pursuing certification,
November 7, 2001

Until recently, the American Tree Farm system, a 60-year old program that has recognized good forest management, was not seen as a forest certification option for small woodland owners. The recent and evolving partnership between the American Tree Farm system and SFI has begun to change this. At this point, it is unclear how Tree Farm will evolve to meet the certification needs of Maine’s small woodland owners. There is some evidence to suggest that Tree Farmers in Maine may enjoy some market advantage through SFI, but it is too early to tell if this will be the case. The Maine Tree Farm committee is also experiencing a shortage of foresters to administer the program as it is currently designed.

When FSC was first developed, it was cost-prohibitive for most small woodland owners. This began to change in 1997, when FSC allowed small landowners in Maine to participate in certification through a Resource Manager Certification (RMC) program. The RMC allows small woodland owners to attain certification of their land by utilizing a certified consulting forester. Through this program participating foresters absorb much of the cost of certification. Currently there are only two certified resource managers in Maine.

“Consumers are most interested in price and the 'use characteristics' of the product (e.g. when buying lumber, people worry about wood strength, straightness, lack of knots etc.). However, once people are satisfied with these product characteristics then environmental concerns are important factors. The important environmental concerns seem to be: fish and wildlife protection, forest sustainability, and reductions in clear-cutting.”

-Dr. Mario Teisl, University of Maine, September 25, 2001

Most small landowners in Maine are not willing to participate (less than 2,000 landowners of an estimated 100,000 have had their land certified to date) in forest certification systems. Until certification results in more tangible benefits such as regulatory relief, higher prices in the marketplace, or better access to the marketplace the

overwhelming majority of small woodland owners will likely continue to have their land remain uncertified. It is important to keep in mind, lack of certification is not an indication of poor forest management, many non-certified small woodlots receive exemplary management. Certification is simply one way to prove to the public and to consumers that good forest management practices are being implemented.

4.5 Findings and Recommendations

4.5.1 General Findings and Recommendations

Because certification has the ability to improve forestry, promote the long-term economic interests of the forest products industry, and help protect public values, the Council makes the following recommendations to improve both the quality and credibility of forest certification in this state:

The Council finds:

That landowners whose land has been certified or scheduled to be certified are to be congratulated for their participation in this evolving and worthwhile endeavor.

The Council finds:

The immense public values inherent in the biodiversity of Maine's forests and the ecological services these forests provide create a responsibility for private landowners to manage in recognition of those values.

The Council recommends:

Private landowners undergoing certification in Maine should adopt as a goal indicators for the conservation of native biodiversity and ecological function. The Council recognizes that the ability to maintain biodiversity varies with ownership size, and that development of certain under-represented ecological conditions, such as very old forests, are better suited to public lands.

The Council finds:

Landowner concerns with the FSC process (not the standard per se) indicates a need to improve its program management. Development of workable and consistent regional standards and a streamlining of the dispute resolution process are being addressed.

The Council recommends:

Both programs need to continue promoting sustainable forestry, reforestation, and appropriate water quality and riparian area protection for wood coming from non-certified lands. In the SFI program, implementation of the recent changes in the SFI 2002-2004 standard will offer significant improvements. For FSC, the issue (that of how non-certified raw materials are handled with respect to percentage based claims) the issue is mostly with chips and pulpwood, as FSC has a strong chain of custody process for solid wood. Participants in both programs should individually explore avenues to exclude wood from poorly managed forests and give preference to wood from certified and well-managed sources. Not only would this improve public confidence in forest management, it would provide incentives for all woodland owners to practice good forestry.

The Council finds:

Consumer demand and pressure for certified forest products has not developed as quickly as was initially anticipated.

The Council finds:

All participants including: policy makers, landowners, and foresters recognize the difficulty of encouraging the participation of small woodland owners in certification systems.

The Council recommends:

Efforts to increase the participation of small woodland owners in certification should focus on developing benefits. When certification becomes advantageous, small woodland owners will have their land certified.

The Council finds:

Independent, thorough, and objective public reporting is essential to a credible certification system. Both systems can use the delivery of comprehensive and informative reports to better inform the public

4.5.2 Recommendations for Maine State Government

The Council sees a significant role for Maine state government in moving forest certification forward toward its potential for improving forest practice in the state and in improving the opportunity for the marketplace itself to offer a reward to certified landowners, manufacturers, and distributors of certified wood products. The Council has not developed a comprehensive approach, and so additional ideas that are not on our list may have merit.

It is the Council's opinion that the state should not mandate any particular form of certification for private owners. Nor should the state mandate certification. Nor should it subsidize actual certification expenses of landowners. We would prefer to see resources spent on educating landowners, wood products firms, and consultants about the process, the potential, and the costs of obtaining certification, and on market development.

The Council recommends...

Certification for State Lands

The Bureau of Parks and Lands (BP&L) should continue to pursue certification for its lands in the future. The Bureau of Parks and Lands should consider amending the Integrated Resource Policy (IRP) to this effect. Certification should be considered also for the Inland Fisheries and Wildlife lands.

Department of Conservation Website

The Department of Conservation (DOC) website should be used as an information link for people interested in knowing more about certification. Both SFI and FSC public reports on third-party certified lands in Maine should be linked to the DOC website (SFI reports are now on the MFPC site; FSC reports are maintained on websites of the certifying bodies, SCS and Smartwood).

Current Information on the Certification Status of Maine Land

Information requests continually come in seeking the current status of certification, number of acres, and landowners undergoing certification. DOC currently keeps this information and should maintain a current tally each quarter on status of owners/acres for all certification systems, including the American Tree Farm System.

Study of Current Tax Credit

The Council suggests that the Legislature ask the Department of Conservation and Maine Revenue Services to study the use of the Forest Management Planning Income Tax Credit now available to landowners for the cost of management plans. They should report to the Legislature by the end of 2002 on their findings on the use and effectiveness of this provision in encouraging better forest management. They should be asked to consider whether a similar provision could usefully be enacted to promote wider use of certification. We would suggest that the agencies seek assistance of experts on this subject from the University and elsewhere.

Market Development for Certified Wood Products

Considerable quantities of logs are cut each from certified lands in Maine that do not reach the marketplace with a certified label, due to the limited development of market demand noted earlier in this report. The Council believes that a valuable role for the State would be to undertake programs to build demand for certified products, foster Chain-of-Custody certification, and other aspects of certification. In Pennsylvania, the state held several Chain-of-Custody workshops after getting its lands certified. In addition, the state could support better information linkage between interested certified wood users and Maine producers, and supply information to end users that would improve their ability to specify and obtain Maine-produced certified wood products. We recognize that funds are limited, but we would suggest that a leadership initiative by the State, together with the university, could potentially mobilize some existing resources, and could attract foundation or other funding for an effort of market development.

Tangible Rewards for Pursuing Certification

The Council believes that participation in third-party certification should provide more tangible rewards to participants. One possible incentive is the possibility of “regulatory relief” for landowners whose land is third party certified. We recommend that the State, in particular, the Maine Forest Service, work with the Legislature and landowners to provide regulatory flexibility for participants.

Periodic Review of Certification

The Council recommends that the Legislature convene a small group like this one every 2-4 years to review and comment on this evolving situation.

“Green” Purchasing Initiative

The Council urges the Governor to explore a process for examining options and adopting a suitable Green Purchasing policy for all state government, in the areas of paper and

wood products. The University has taken steps in this direction. We do not assert that wood and paper necessarily are topmost priority for Green purchasing, nor would we wish to see simple-minded or hasty proposals. We would only look for an orderly approach to developing a useful and implementable approach that would begin to put Maine state government on a path toward using its role as a buyer to further development of market demand for certified wood and paper products. It is important that this effort be broad based and include the active participation of all stakeholders while remaining sensitive to the pressures that state and local governments, as well as large retailers, have received on this issue.

Section 5 Summary

The Council feels that the third-party certification concept is sound. Maine's unprecedented participation in these open and detailed efforts is commendable. However, there has been considerable debate over the differences between FSC and SFI, which was one of the primary reasons the Speaker formed this advisory council. Shortly after the Council began meeting the "Meridian Report," was released. This study was sponsored by both FSC and SFI, and Home Depot to produce a factually accurate, consensus-based comparison of FSC and SFI certification programs. The Council agreed to accept the findings of the Meridian study as a basis for programmatic comparison of FSC and SFI. Those findings, as well as some original analysis by the Council, updated where appropriate to reflect program changes since publication of the Meridian Report, form the basis of Section 4.2.

The Council looked at a number of options for certification, the two principle ones in use in Maine being the SFI program and the FSC program. The Council also reviewed the American Tree Farm System, the ISO 14000 system, as well as why some landowners chose not to go through third-party certification. We also had a peek at the future by looking at current plans by the Maine Forest Service to look into outcome-based forestry and what this might mean to forest practices in Maine. Still without a doubt, the current debate is centered on the two commonly used certification systems--the SFI and FSC.

Clearly, forest certification has played a significant role in changing the public debate on forestry and forest practices in Maine. Many landowners, large and small may point to their certification as proof of their good stewardship. The debate has shifted from one focused on the general practice of forest management to one focused on the use of certain practices (clear-cutting and liquidation harvesting to name two). Forest certification has been useful in establishing a baseline for performance and large areas of agreement as to what constitutes good forestry.

Maine has benefited from forest certification. Both participants and non-participants point to certification as a motivation to improved forest management practices. Public reporting allows greater public awareness and scrutiny of these practices. Third-party

certification based on broadly –accepted standards and a transparent process can lead to a greater public confidence that current forest practices are sustainable and responsible. These benefits are of course difficult if not impossible to quantify but certainly, Maine’s forests and Maine’s people are better off when the resource is well managed and when public debate can be properly focused.

The Council recommends a number of steps to both foster and support the growth of certification. Detailed in the previous section these recommendations address the different roles that landowners and the State government can play in fostering certification. The Council does not pretend that its recommendations or even the embracing of forest certification by all Maine landowners would settle every debate currently ringing through the Maine woods. Instead, the Council believes that Maine’s forests are better off when they are well managed, when landowners recognize the different interests and traditions at play on their lands and under their care, and when the public is educated. We can all agree that when Maine’s woods are better off so too are Maine’s people.

Appendix:

Program Development

This section provides timelines for the development of the two certification systems. The entirety of the text of this section comes from the Meridian Report *Comparative Analysis of the Forest Stewardship Council and Sustainable Forestry Initiative Certification Programs*, released October 16, 2001.

2.1.1 Forest Stewardship Council

FSC-U.S. Chronology

- | | |
|------|--|
| 1987 | Brundtland Commission Report (1987) ² , also known as <i>Our Common Future</i> , defined sustainable development as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs.” This definition became the theoretical basis for the Forest Principles that emerged five years later at the Rio Earth Summit (Vellejo and Hauselmann 2000) ³ . |
| 1989 | The Rainforest Alliance established the SmartWood Program to conduct forest management and chain-of-custody certifications. (The Rainforest Alliance 2001) ⁴ |
| 1990 | Rainforest Alliance grants first forest management certification to plantation forestry operation in Indonesia (The Rainforest Alliance 2001)

The Rainforest Alliance grants first chain-of-custody certification to processing operations in Indonesia and Smith and Hawken in the United States (FSC 2001a) ⁵ . |
| 1991 | Scientific Certification System established the Forest Conservation Program (FCP) to conduct forest management and chain-of-custody certifications (SCS 2001) ⁶ . |

² World Commission on Environment and Development. 1987. Our Common Future. Oxford University Press, New York, New York. pp. 383.

³ Vellejo, N and P. Hauselmann. 2000. *Institutional Requirements for Forest Certification: A Manual for Stakeholders*, Working Paper 2. PL Environmental Consulting/Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ)-Forest Certification Project, Eschborn, Germany. www.gtz.de/forest/certification/downloads-pdf/pdf/wp2.pdf. pp. 42.

⁴ The Rainforest Alliance. 2001. “About the Rainforest Alliance: Our History Timeline.” 27 June 2001. www.rainforestalliance.org/about/history.html.

⁵ Forest Stewardship Council. 2001a. Chain-of-Custody Global Table. Oaxaca, Mexico. *Information available upon request from the FSC Secretariat*.

SmartWood Program put forth draft of “Generic Guidelines for Assessing Natural Forest Management” as a worldwide set of evaluation or assessment criteria applicable at the field or operational level (The Rainforest Alliance 2000)⁷.

Certification Working Group met in San Francisco to discuss certification standards which different organizations could ascribe to, need for constant “objective” monitoring of certification programs to protect both the public and certified producers, and need for some type of organization to implement the above. The Certification Working Group involved over 30 organizations from 11 countries. This group was instrumental in the development and foundation of the FSC (Donovan 1992)⁸.

Interim Board of Directors for what will become the FSC is established (Kwisthout 1991)⁹.

- 1992 United Nations Conference on Environment and Development (UNCED), Rio Earth Summit. The UNCED applied the Forest Principles to natural resources asserting, “forest resource and forestlands should be sustainably managed to meet the social, economic, ecological, cultural, and spiritual needs of present and future generations” (Vellejo and Hauselmann, 2000)
- 1993 Founding Assembly of the Forest Stewardship Council (FSC) was held in Toronto, Canada in October. The FSC was founded by a diverse group of representatives from environmental institutions, timber traded, forestry professionals, indigenous people’s organizations, community forestry groups, and forest product certification bodies. There were 130 representatives from 25 countries present, with a relatively even split between the North and South. During this meeting, the founding Board of Directors is elected at the General Assembly and the three-chamber structure is ratified (Mankin 1993)¹⁰.

⁶ Scientific Certification Systems. 2001. “Forest Certification Program.” 27 June 2001. www.scs1.com/forestry.shtml

⁷ The Rainforest Alliance. 2000. *SmartWood Generic Guide for Assessing Natural Forest Management*. SmartWood Program, Richmond, Vermont. p. 2. www.smartwood.org/guidelines/forest-management.html

⁸ Donovan, R.Z. 1992. Memo to the Certification Working Group members and Invited Participants for Forest Stewardship Council Charter Meeting, Regarding the Status of the Forest Stewardship Council (FSC)

⁹ Kwisthout, H. and Certification Working Group. 1991. *Tasks and Organizational Structure of Monitoring Agency*.

¹⁰ Mankin, B. 1993. Founding Assembly Notes.

SCS adopts and releases the “Forest Conservation Program: Program Description and Operations Manual” to conduct forest management and chain-of-custody certifications (SCS 1995)¹¹.

SCS awards first forest management and chain-of-custody certificates to Collin’s Pine, Company’s California division – Collins Almanor Forest (94,000 acres) (SCS 2001a)¹².

1994 SmartWood Program distributed the draft “Generic Guidelines for Assessing Forest Plantations” (The Rainforest Alliance 2000). “Forest Stewardship Council A.C. By-Laws” ratified (FSC 1999)¹³. FSC Secretariat established in Oaxaca, Mexico. Dr. Timothy Synott hired as first Executive Director.

FSC Members ratified Principles 1-9 (FSC 2000)¹⁴.

SmartWood Program awards first forest management and chain-of custody certificates to Keweenaw Land Association, Ltd. located in Ironwood, Michigan (156,348 acres) SmartWood 2001)¹⁵.

1995 Contact person in United Kingdom endorsed by FSC as first stage of the National Initiative. United Kingdom becomes first country outside Mexico with an FSC presence (FSC 2001b)¹⁶.

SCS and SmartWood Program jointly award first certification to Menominee Tribal Enterprises, Inc. located in Neopit, Wisconsin (234,000 acres) (SmartWood 2001; SCS 2001b)¹⁷.

SCS and SmartWood Program developed group certification and Resource Manager Certification Programs (Harrington 2000)¹⁸.

¹¹ Scientific Certification Systems. 2001a. *The Forest Conservation Program: Program Description and Operations Manual*. Oakland, CA. pp. 72. www.scs1.com/fcp.pdf.

¹² Scientific Certification Systems. 2001a. *The Forest Conservation Program Certified for Chain-of-Custody*. 27 June 2001. www.scs1.com/pdfs/forestrychain.pdf.

¹³ Forest Stewardship Council. 1999. *Forest Stewardship Council A.C. By-Laws*, Document 1.1. Oaxaca, Mexico. pp. 13.

¹⁴ Forest Stewardship Council. 2000. *Principles and Criteria for Forest Stewardship*, Document 1.2. Oaxaca, Mexico. pp. 11.

¹⁵ SmartWood Program. 2001. *Certification Public Summary Reports*. 27 June 2001. www.smartwood.org/reports/index.html.

¹⁶ Forest Stewardship Council. 2001b. *FSC National Initiatives: Contract Details*, Document 5.1.2. Oaxaca, Mexico.

¹⁷ Scientific Certification Systems. 2001b. *Certification Public Summary Reports*. 27 June 2001. www.scs1.com/publicsummary.shtml

¹⁸ Harrington, S.A. (editor). 2000. *Resource Manager Certification Handbook 2000*. Forest Stewardship Guild, Santa Fe, New Mexico.

- 1996 Members and Board of Directors ratified Principle 10 (FSC 2000).
- General Assembly voted to balance the voting power among the social, environmental, and economic chambers by giving each 33% representation. The initial voting structure gave 75% of the voting power to the social and environmental chambers and capped the voting power of the economic chamber at 25%, which marginalized their involvement (Furnas, *et al.* 2000)¹⁹.
- Contact person established by FSC as the first stage of the National Initiative for the United States (FSC 2001b).
- Regional Working Groups were established in the contiguous United States to provide support for the development of the regional standards and to recommend the standards to FSC for approval.
- SCS (based in the U.S.), the Rainforest Alliance's SmartWood Program (based in the U.S.), SGS Forestry QUALIFOR Programme (based in the U.K.), and Soil Association (based in the U.K.) accredited by FSC for worldwide forest management and chain-of-custody certification.
- SmartWood Program awards first Resource Manager certificate to Blencowe Managed Forest Lands, located in Fort Bragg, California (12,053 acres) (SmartWood 2001).
- 1997 FSC Board approved "Policy for Percentage Based Claims," which allows public recognition for products containing less than 100% FSC-endorsed raw materials to reduce barriers facing industries which rely on large numbers of suppliers, not all of which are yet certified, and to reduce the perceived disadvantages faced by small forest properties supplying the same markets as larger integrated forest enterprises (FSC 2000)²⁰.
- FSC-U.S. Working Group endorsed by FSC for the United States (FSC 2001b).

¹⁹ Furnas, B., J.S. Estey, K.A. Vogt, and A. Fanzeres. 2000. "Characterization of three approaches: Forest Stewardship Council, AF&PA Sustainable Forestry Initiative, and ISO," in Forest Certification: Roots, Issues, Challenges, and Benefits, Vogt, K.A., B.C. Larson, J.C. Gordon, D.J. Vogt, and A. Fanzeres. CRC Press, New York, New York. pp. 34-42.

²⁰ Forest Stewardship Council. 2000. *FSC Policy on Percentage Based Claims*, Document 3.6.3. Oaxaca, Mexico. pp. 13.

	SCS award first Resource Manager certificate to Mike Jani (3,700 acres), Eric Huff (3,700 acres), and Steve Staub (224 acres), all located in California (FSC 2001b).
	SmartWood Program awards first forest management certificate for public lands. Certificate was issued to Massachusetts Metropolitan District Commission-Quabbin Reservoir (58,000 acres) (SmartWood 2001).
1998	FSC-U.S. Working Group incorporated as 501(c)3 non-profit organization (FSC-U.S. 1998) ²¹ .
	Swedish National Standards became the first set of regional standards endorsed by FSC (Svensk FSC 2001) ²² .
1999	Members ratified revision of Principle 9 and the addition of Criteria 6.10 and 10.9 (FSC 2000).
	1999 FSC General Assembly ratified the definition of “Precaution” added to the <i>Principles and Criteria for Forest Stewardship</i> (FSC 2000).
	U.S. Standards Committee authorized by the FSC-U.S. Board of Directors and charged with facilitating development and finalization of the regional standards with the Regional Working Groups (FSC-U.S. 2001) ²³ .
2000	Standards Committee and Forestry and Ecology Subcommittee established (FSC-U.S. 2001).
	SmartWood Program awards first forest management certificate for non-timber forest products. Certificate was issued to Merck Forest and Farmland Center for maple syrup production (3,130 acres) (SmartWood 2001).
2001	Board of Directors approves the National Indicators (FSC-U.S. 2001).
	SCS develops the “SCS Generic Interim Standards for Natural Forest and Plantation Forest Management Certification Under the Forest Stewardship Council” (SCA 2001 c) ²⁴

Table 1 in the Appendix represents the organizational structure of the FSC.

²¹ Forest Stewardship Council-U.S. Working Group. 1998. FSC-U.S. Financial Records.

²² Svensk FSC. 2001. *Swedish FSC Standard*. 27 June 2001. www.fsc-sweden.org/gron/stand.htm.

²³ Forest Stewardship Council-U.S. Working Group. 2001. *FSC-U.S. National Indicators*. Washington, D.C. pp. 37.

²⁴ Scientific Certification Services. 2001. *SCS Generic Interim Standards for Natural Forest and Plantation Forest Management Certification Under the Forest Stewardship Council*. Oakland, CA. pp. 25.

2.1.2 Sustainable Forestry Initiative

The Sustainable Forestry Initiative is a program of the American Forest & Paper Association. AF&PA created the SFI program to measurably improve member company performance, set new management goals for the entire forestry industry and other forest landowners, and enhance public confidence in forest management (Wallinger, Scott 1995. Defining Forestry. *Journal of Forestry*. 17-19.) The program is based on continuous improvement (2001 Edition Sustainable Forestry Initiative Standard, Objective 11). As a result, the program has evolved to include the participation of non-members through the licensee program; establishment of a multi-stakeholder Sustainable Forestry Board to continuously monitor and evaluate the SFI Standard and Verification Procedures; and the development of a Collective/service mark (logo) and a Certification Mark (label). The following chronology highlights the SFI program's evolution:

- 1990 American Forest Council (AFC) convened on behalf of American Paper Institute (API) and the National Forest Products Association (NFPA) its *Future of Forestry Conference* to examine public concerns regarding management of private forests (McMahon, John P. 1992. Forest Industry's Commitment to the Public. *Journal of Forestry*. 38-40).
- 1992 February: The forest products industry commissioned public opinion research to understand public concerns about forestry and forest management (Wallinger, Scott. 1995. Defining Forestry. *Journal of Forestry*. 17-19).
- 1992 May: API drafted and adopted the *10 Forest Management Principles*. The impetus to adopt these principles resulted from AFC's effort to promote improved forest practices as well as in part from recognition of the sustainable development concepts described in the 1987 Commission on Environment and Developmental report, *Our Common Future*, also known as the Brundtland Commission Report (McMahon, John P. 1992. Forest Industry's Commitment to the Public. *Journal of Forestry*. 38-40). Further impetus came from AGENDA 21: The Earth Summit Strategy to Save Our Planet with its support of forest productivity, sustainable and multiple use of forests, genetic improvement of trees and application of biotechnology to improve tolerance to environmental stress; measures to upgrade and expand current human-planted forests; plans to increase the protection of forests; and efforts to preserve the biological diversity of forests.
- 1993 January: The API and NFPA merged to become the American Forest & Paper Association (AF&PA). AF&PA adopted the API *Forest*

- Management Principles* as a condition of membership (AF&PA. 1993. Agreement of Merger Among AF&PA & NFPA & API. 4pp).
- 1993 AF&PA participated in an International Seminar of Experts on Sustainable Development of Boreal and Temperate Forests in Montreal, Canada. This meeting ultimately resulted in an initiative to develop and implement internationally agreed criteria and indicators for the conservation and management of boreal and temperate forests (*Memorandum of Understanding Among Federal Agencies Responsible for Data Related to the Criteria and Indicators for Sustainable Forest Management in the United States*, 01-Su-1130144-010. pp14).
- 1994 February: AF&PA formed a Steering Committee of 60 AF&PA member company executives to formulate a new and comprehensive set of forest management principles that would "...visibly improve industrial forest practices and report results" (Wallinger, Scott. 1995. Defining Forestry. *Journal of Forestry*. pp. 17-19).
- 1994 June and July: Held regional workshops on AF&PA's proposed SFI Principles and Implementation Guidelines (Wallinger, Scott. 1995. Defining Forestry. *Journal of Forestry*. pp. 17-19)
- 1994 October: The AF&PA Board of Directors approved the *SFI Principles and Implementation Guidelines* "...as the chief framework for demonstrating to the public our sincere and practical commitment to the goal of sustainable forestry." The Principles and Guidelines were introduced to members as "...working documents, open to occasional revision and modification as we improve our understanding of both forest management and program implementation" (American Forest & Paper Association. 1994. *Sustainable Forestry Principles and Implementation Guidelines*. pp. 11).
- 1995 January: The official implementation of the SFI Program (AF&PA. 1996. *Sustainable Forestry for Tomorrow's World, First Annual Progress Report on the American Forest & Paper Association's Sustainable Forestry Initiative*. pp. 32).
- 1995 December: The AF&PA Board of Directors (BOD) formed the Expert Review Panel (now know as the Internal Review Panel-ERP). ERP members included a diverse group of outside forestry experts and provides advice and quality control for the SFI program (AF&PA. 1996. *Sustainable Forestry for Tomorrow's World, First Annual Progress Report on the American Forest & Paper Association's Sustainable Forestry Initiative*. pp. 32).

- 1996 January: AF&PA made compliance with the *SFI Principles and Implementation Guidelines* a mandatory condition for association membership and required written pledges from member company CEOs to the AF&PA President as part of the annual required progress report (AF&PA. 1996. *Sustainable Forestry for Tomorrow's World, First Annual Progress Report on the American Forest & Paper Association's Sustainable Forestry Initiative*. pp. 32).
- 1996 March: The ERP had its first official meeting. They provided a critical review of the annual report as required by the SFI program and recommended program improvements (AF&PA. 1996. *Sustainable Forestry for Tomorrow's World, First Annual Progress Report on the American Forest & Paper Association's Sustainable Forestry Initiative*. pp. 32).
- 1996 July: AF&PA terminated the memberships of 13 member companies for not submitting annual report forms in compliance with the SFI program (AF&PA. 1997. *Sustainable Forestry for Tomorrow's World, 2nd Annual Progress Report on the American Forest & Paper Association's Sustainable Forestry Initiative*. pp. 32).
- 1998 July: The AF&PA BOD approved the SFI "Licensing" program, responding to public requests to broaden participation in the SFI program to non-members of the AF&PA. Licensees must fulfill the same requirements as AF&PA member companies. The Conservation Fund became the first licensee AF&PA. 1999. *SFI 1999 4th Annual Progress Report, SFI Program*. pp. 28).
- 1998 November: The AF&PA BOD passed enhanced SFI principles and Objective. These became the "industry standard" in a form that enabled company members to accomplish independent third-party certification. Launched the first, second, and third-party Verification Process (AF&PA. 1999. *SFI, 1999 4th Annual Progress Report, SFI Program*. pp. 32).
- 1999 February: The ERP established the Forest Monitoring Project with the Izaak Walton League of America to randomly monitor the SFI program implementation program participants (AF&PA. 2000. *2000 5th Annual Progress Report, SFI Program*. pp. 28).
- 1999 July-August: Held regional workshops to develop improvements in the SFI Standard (AF&PA. 2000. *2000 5th Annual Progress Report, SFI Program*. pp. 28).

- 1999 November: AF&PA BOD approved additional enhancements to the SFI Standard (AF&PA. 2000. *2000 5th Annual Progress Report, SFI Program*. pp. 28).
- 2000 July: The Sustainable Forestry Board (SFB) was established as the oversight body for the SFI Standard and Verification Processes. This new body was created with a 15-member Board of Directors, of which nine represent diverse forestry and conservation organizations and six represent AF&PA member companies. The SFB is responsible for future changes in the Standard and Verification Processes (AF&PA. 2001. *Sustainable Forestry Initiative (SFI)TM Program 2001 6th Annual Progress Report*. pp. 32).
- 2001 February: An acting Executive Director for the SFB was appointed (Sustainable Forestry Board. 2001. *SFB News, Happenings Around AFB*, 1/25/01-SFB Names Interim Executive Director. www.aboutsfb.org).
- 2001 May: The SFB adopted a new provision requiring pre-notification to the SFB by SFI participants that have committed to or completed third-party certification and requiring notice prior to any public disclosure or announcement.
- 2001 June: The SFB initiated a one-month public comment period to identify potential enhancements to the SFI Standard (Sustainable Forestry Board. 2001. *SFI 2001 Edition Standard Review, SFI Standard Review Process*. www.aboutsfb.org).
- 2001 December: The SFB issues the 2002-2004 SFI Standard.

Table 2 in the Appendix explains the structure of the SFI program in Maine.

Forest Stewardship Council Organizational Chart

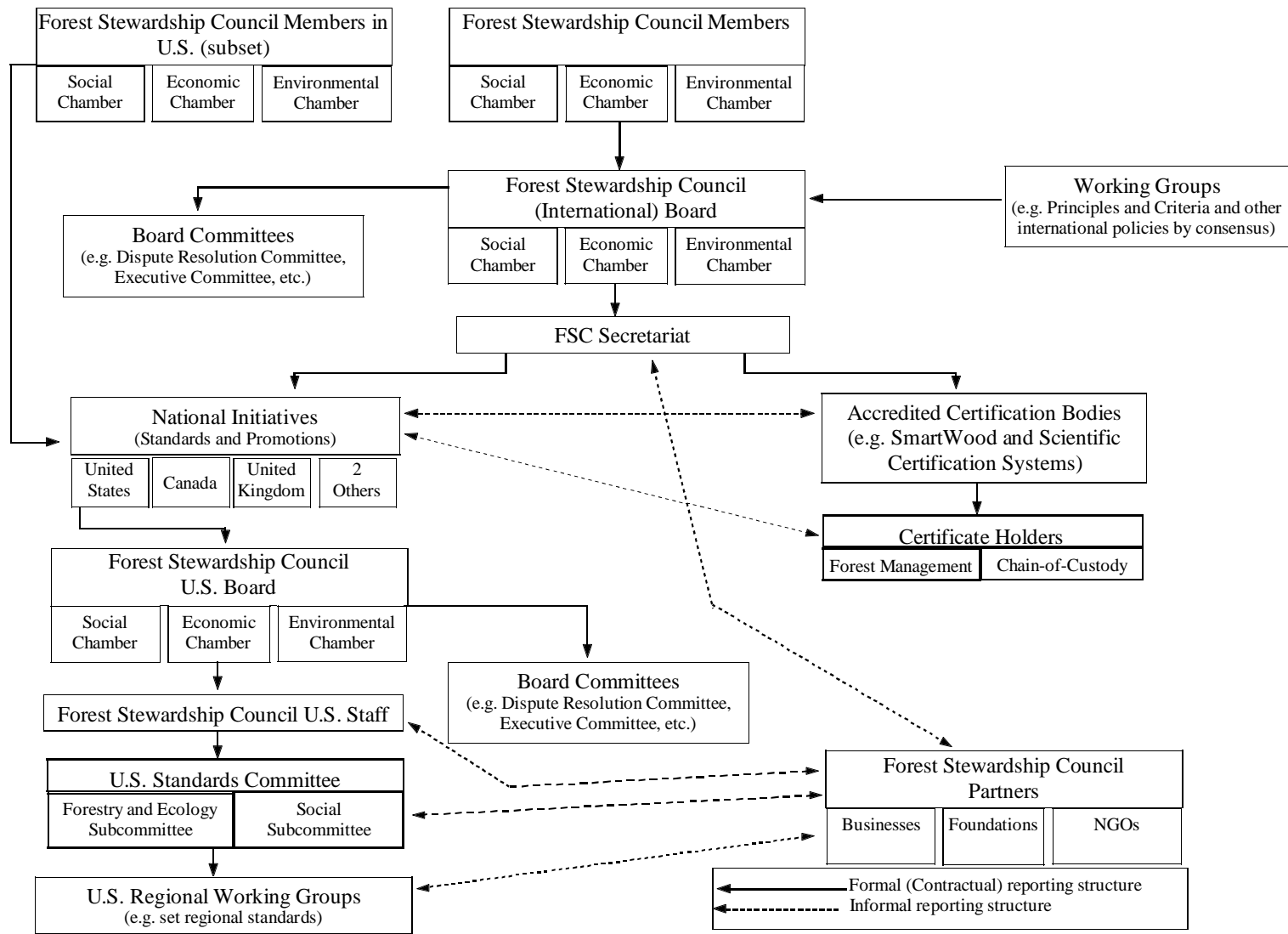


Table 1: From the Meridian Report Volume II, *Description of the FSC Program*, pp. 7.

Table 2: Courtesy of the Maine Forest Products Council

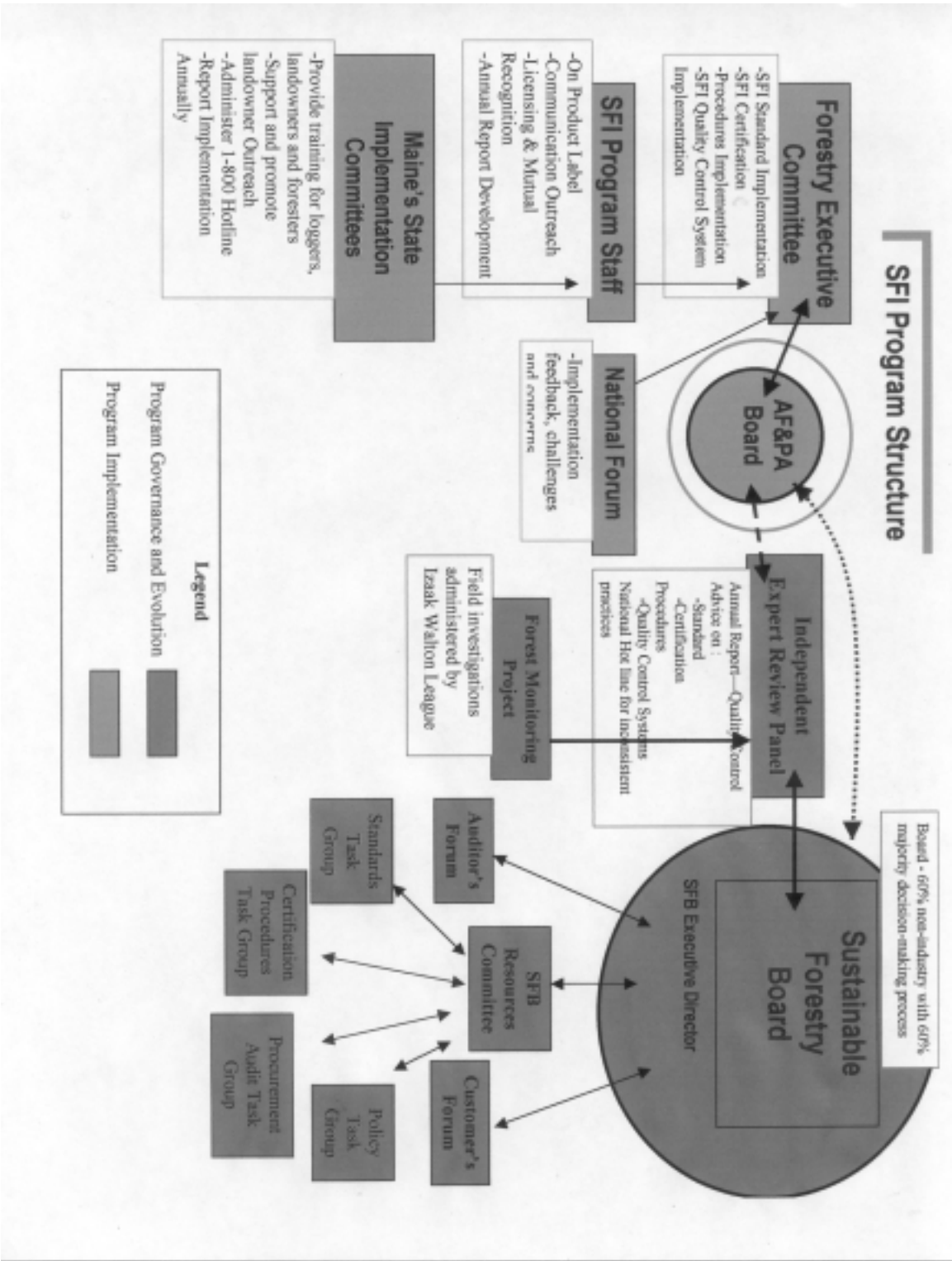


Table 3:

LANDOWNER	MANAGER	ACRES	AUDIT
International Paper		1,405,000	SFI+ISO
Fraser Paper		238,000	SFI+ISO
Great Northern Paper		359,000	SFI (committed)
Plum Creek Timber		905,000	SFI
Mead Corp.		550,000	SFI
Hancock Timber Resources	Wagner Woodlands	380,000	SFI (committed)
JD Irving (former GNP lands)		1,000,000	SFI
JD Irving (Allagash District)		550,000	FSC+SFI
Pingree Associates	7 Islands	941,000	FSC+SFI
Maine BP&L		485,000	FSC+SFI (pending)
Penobscot Nation		123,000	FSC (pending)
Large Ownership Certified/Committed/Pending		6,936,000	
Various	Prentiss & Carlisle	900,000	None
Great Northwood LLC	Wagner Woodlands	312,255	None
Yankee Timber LLC (Yale)	Wagner Woodlands	343,745	None
Wagner Forest Partners, 91.43% = Yale U.	Wagner Woodlands	446,000	None
Huber Resources		438,000	None
Clayton Lake Woodlands LLC = Material Blanchet and Pelletier and Pelletier		245,000	None
The Nature Conservancy	Huber Resources	210,000	None
Passamaquoddy Tribe		138,000	None
Dunn Timberlands		110,000	None
Stetson Timberlands		109,000	None
Baskahegan Co.		108,000	None
Large Ownership Non-certified/Non-committed		3,360,000	
Large Ownership Certification System Subtotals		ACRES	Percent of Large Landowner Acres
FSC/FSC+SFI		2,099,000	20%
SFI/ISO+SFI		4,098,000	40%
Declared SFI but no audit		739,000	7%
NONE		3,360,000	33%
TOTAL		10,296,000	100%
Smaller Ownerships			
Baxter State Park SFMA		29,854	FSC
Hancock Land Co		22,000	FSC (Pending)
Two Trees Forestry		21,800	FSC
Mid Maine Forestry		6,300	FSC
Total		79,954	FSC

Glossary and List of Acronyms

ACRE - An area of land measuring about 43,560 square feet. A square 1-acre plot measures about 209 feet by 209 feet; a circular acre has a radius of 117.75 feet.*

AFFORESTATION -Establishment of forest crops by artificial methods, such as planting or sowing on land where trees have never grown . *

AFFORESTATION - the establishment of a forest or *stand* in an area where the preceding vegetation or land use was not forest. ∞

AGE -Mean age of the trees comprising a forest, crop, or stand. In forests, the mean age of dominant (and sometimes co-dominant) trees is taken. The plantation age is generally taken from the year the plantation was begun, without adding the age of the nursery stock. -Of a tree: the time elapsed since the germination of the seed, or the budding of the sprout or cutting from which the tree developed . *

AGE CLASS -One of the intervals, commonly 10 or 20 years, into which the age range of tree crops is divided for classification or use. Also pertains to the trees included in such an interval. For example, trees ranging in age from 21 to 40 years fall into a 30-year age class; 30 designates the midpoint of the 20-year interval from 21 to 40 years.*

ALL-AGED -Forest or stand containing trees of almost all age classes up to and including trees of harvestable age.*

ALL-AGED or UNEVEN-AGED MANAGEMENT - The practice of managing a forest by periodically selecting and harvesting individual trees or groups of trees from the stand while preserving its natural appearance. Most common in hardwood forests.*

ALL-AGED or UNEVEN-AGED STAND - A forest stand composed of trees of different ages and sizes.*

ALLOWABLE CUT -Volume of timber that may be harvested during a given period to maintain sustained production.*

ANNUAL - A plant that lives or grows for only one year or one growing season.*

* USDA Forest Service. 1989. **INTERIM RESOURCE INVENTORY GLOSSARY**. Document dated June 14, 1989. File 1900. Washington, DC: U.S. Department of Agriculture, Forest Service. 96 p.

This is a modification of the Interim Resource Inventory Glossary was prepared by the U.S.D.A. Forest Service, Washington Office Resource Inventory Coordination Task Group established by the Deputy Chiefs for National Forest System and Research in 1984. It covers terms needed for the management of the timber, wildlife and fisheries, recreation, rangeland, water, soil, land, and mineral resources of the National Forest System Lands. Most of the definitions, measurement rules, and standards presented in this report were taken from existing U.S.D.A. Forest Service Regional or Station direction. The variables have been standardized using the least restrictive rules or definitions. By using these standards, definitions, and rules, data and information can be readily shared across resource functions within the agency. The Glossary was officially issued and distributed for general agency use on June 30, 1989. In addition to terms and definitions, the parent document also contains codes, measurement standards and references unique to the USDA Forest Service not found below.

∞ Sustainable Forestry Initiative. 2001. *2002-2004 Edition Sustainable Forestry Initiative (SFI) Program, Program Overview, Program Standard, Verification/Certification Principles and Procedures, and Qualification Criteria for Verifiers*. pp. 62.

ANNUAL ALLOWABLE HARVEST -Quantity of timber scheduled to be removed from a particular management unit in 1 year.*

ANNUAL GROWTH -Average annual increase in the biomass of growing-stock trees of a specified area.*

AQUATIC HABITAT - Areas where water is the principal medium and that provide the resources and environmental conditions to support occupancy, survival and reproduction by individuals of a given species. ∞

ARTIFICIAL REGENERATION - A group or stand of young trees created by direct seeding or by planting seedlings or cuttings. ∞

AS NATURALLY OCCURS: Condition with essentially the same physical, chemical and biological " characteristics as found in situations with similar habitats free of measurable effects of human activity (38 MRSA §466 sub§2). †

BASAL AREA: The cross section area of the stem or stems of a plant or of all plants in a stand, generally expressed as square units per unit area. Tree basal is used to determine percent stocking. For shrubs and herbs it is used to determine phytomass. Grasses, forbs, and shrubs usually measured at or less then 1 inch above soil level. Trees - the cross section area of a tree stem in square feet commonly measured at breast height (4.5' above ground) and inclusive of bark, usually computed by using d.b.h. or tallied through the use of basal area factor angle gauge.*

BMP (BEST MANAGEMENT PRACTICES): Practices designed to be the most effective and practicable means to prevent or minimize environmental degradation, particularly non-point source water pollution. †

BMP: Best Management Practices developed for achieving the reduction of erosion and sedimentation of water bodies. **

BEST MANAGEMENT PRACTICES (BMPS) - a practice or combination of practices that is determined by a state or local government, or other responsible entity, after problem assessment, examination of alternative practices and appropriate public participation to be the most effective and practicable (including technological, economic and institutional considerations) means of conducting a forest management operation while addressing any environmental considerations. ∞

BIOLOGICAL CONTROL AGENTS: Living organisms used to eliminate or regulate the population of other living organisms. ‡

† Maine Department of Conservation, Maine Forest Service. 2001. *Biennial Report on the State of the Forest and Progress Report on Sustainability Standards*. pp. 37.

** Professional Logging Contractors of Maine. 2001. *Master Logger Certification Performance Standards Program, 2001 Logger's Edition*. pp. 77.

BIOLOGICAL DIVERSITY - The variety of life forms in a given area. Diversity can be categorized in terms of the number of species, the variety in the area's plant and animal communities, the genetic variability of the animals, or a combination of these elements.*

BIOLOGICAL DIVERSITY (BIODIVERSITY): The variety and abundance of species, their genetic composition, and the communities, ecosystems, and landscapes in which they occur. It also refers to ecological structures, functions, and processes at all of these levels. Biological diversity occurs at spatial scales that range from local through regional to global. †

BIOLOGICAL DIVERSITY: The variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are a part; this includes diversity within species, between species and of ecosystems. (see Convention on Biological Diversity, 1992) ‡

BIOLOGICAL DIVERSITY VALUES: The intrinsic, ecological, genetic, social, economic, scientific, educational, cultural, recreational and aesthetic values of biological diversity and its components. (see Convention on Biological Diversity, 1992) ‡

BIOLOGICAL DIVERSITY OR BIOLOGICAL RICHNESS - 1. -the variety and abundance of life forms, processes, functions and structures of plants, animals and other living organisms, including the relative complexity of species, communities, gene pools and ecosystems at spatial scales that range from local to regional to global. 2.-an index of richness in a community, ecosystem or *landscape* and the relative abundance of these species. ∞

BUFFER - A strip of vegetation that is left or managed to reduce the impact of a treatment or action of one area on another. #

BUFFER STRIP - A narrow zone or strip of land, trees, or vegetation bordering an area. Common examples include visual buffers, which screen the view along roads, and streamside buffers, which are used to protect water quality. Buffers may also be used to prevent the spread of forest pests.*

CANOPY - A layer or multiple layers of branches and foliage at the top or crown of a forest's trees.*

‡ FSC-U.S. 2001. *FSC-U.S. National Indicators for Forest Stewardship*. pp. 68.

FSC-U.S. 2001. *FSC-U.S. National Review Draft: Forest Certification Standards for New England and New York, Prepared by the Northeast Region Working Group*. pp. 29-35

CANOPY - The more or less continuous cover of branches and foliage formed collectively by the crowns of adjacent trees and other woody growth. [#]

CANOPY COVER: The percent of a fixed area covered by the crown of an individual plant species or delimited by the vertical projection of its outermost perimeter; small openings in the crown are included. Used to express the relative importance of individual species within a vegetation community or to express the canopy cover of woody species. Canopy cover may be used as a measure of **LAND COVER** change or trend and is often used for wildlife habitat evaluations. ^{*}

CANOPY CLOSURE - The progressive reduction of space between tree crowns as they spread laterally. [#]

CERTIFICATION: A voluntary or designated authority which verifies conformity to a standard or system of standards. ^{**}

CERTIFICATION - Independent verification of conformity to a standard. Thus, SFI verification by an independent third party is certification. [∞]

CHAIN OF CUSTODY: The channel through which products are distributed from their origin in the forest to their end-use. FSC allows a percentage of wood in a wood or paper product to come from non-certified forests. The minimum percentages of wood coming from FSC-certified forests are as follows: lumber 70%; assembled solid wood products 70%; chip and fiber products 30% by weight or 17.5% if 17.5% is post-consumer recycled product. Wood coming from non-certified forests must a) not be harvested illegally, b) not include genetically modified trees, c) not come from sources where traditional or civil rights are violated, and d) not come from High Conservation Value Forests (as defined by FSC (see below)), including old growth (FSC May 2000 Policy on Percentage Based Claims, Section 3). [‡]

CHAIN OF CUSTODY: Seller assures buyer that the certified product's history is known and monitored according to specified standards from tree to end product. ^{**}

CHEMICALS - The range of fertilizers, insecticides, fungicides, and hormones, which are used in forest management. [#]

CLEARCUT: A harvest in which all or almost all of the trees are removed in one cutting. [†]

[#] FSC-U.S. 2001. *FSC-U.S. National Review Draft: Forest Certification Standards for New England and New York, Prepared by the Northeast Region Working Group.* pp. 29-35

COMMERCIAL THINNING: A silviculture treatment that "thins" out an overstocked stand by removing trees that are large enough to be sold as commercial products. It is carried out to improve the health and growth rate of the remaining crop trees. †

COMMUNITY - A group of one or more populations of plants and animals in a common spatial arrangement; an ecological term used in a broad sense to include groups of various sizes and degrees of integration. #

COMMUNITY TYPE - A generalized category comprising a number of similar units or stands of vegetation and including animal life. #

CONSERVATION - 1. -Protection of plant and animal habitat.
2. -The management of a renewable natural resource with the objective of sustaining its productivity in perpetuity while providing for human use compatible with sustainability of the resource. ∞

CONTRACT HAULER -Independent truck owner or a driver working for the contractor who hauls logs from the woods to the dump.*

CONTRACT LOGGING -Operator doing all or part of the logging for a company - Independent logger who logs standing timber according to the terms of a contract.*

CUSTOMARY RIGHTS: Rights, which result from a long series of habitual or customary actions, constantly repeated, which, have, by such repetition and by uninterrupted acquiescence, acquired the force of a law within a geographical or sociological unit. ‡

CRITERION (PL. CRITERIA) - A means of judging whether or not a Principle (of forest stewardship) has been fulfilled. #

ECOSYSTEM: A community of all plants and animals and their physical environment, functioning together as an interdependent unit. ‡

ECOSYSTEM/COVER TYPE: The native vegetation ecological community considered together with non-living factors of the environment as a unit and, the general cover type occupying the greatest percent of the stand location. Based on tree or plant species forming a plurality of the stocking within the stand. May be observed in the field or computed from plot measurements.*

EDGE - The transition between two different types or ages of vegetation. *

ENDANGERED SPECIES - Any species that is in danger of extinction throughout all or a significant portion of its range. [#]

EROSION - The displacement of soil from one place to another by any means; including water, wind, gravity, logging, and road building. [#]

EVEN-AGED - Stand of trees in which there are only small differences in age among the individual trees. ^{*}

EVEN-AGED MANAGEMENT - A forest management method in which all trees in an area are harvested at one time or in several cuttings over a short time to produce stands that are all the same age or nearly so. This management method is commonly applied to shade-intolerant conifers and hardwoods. ^{*}

ENDANGERED or THREATENED SPECIES - A species is endangered when the total number of remaining members may not be sufficient to reproduce enough offspring to ensure survival of the species. A threatened species exhibits declining or dangerously low populations but still has enough members to maintain or increase numbers. ^{*}

ENDANGERED SPECIES: Any species that is in danger of extinction throughout, all or a significant portion of its range. [‡]

ENVIRONMENT - The interaction of climate, soil, topography, and other plants and animals in any given area. An organism's environment influences its form, behavior, and survival. ^{*}

EXOTIC SPECIES: An introduced species not native or endemic to the area in question. [‡]

EXOTIC PLANT SPECIES - For the purpose of these standards, exotic plant species are those that meet one of the two following definitions:

- 1) they do not occur naturally in temperate or sub-tropical North America, *or*
- 2) they occur naturally in temperate or sub-tropical North America, but come from a forest category that is different from the certified forest. (Kuchler, A.W, 1975. Potential natural vegetation of the conterminous United States (map). Second edition. American Geographical Society. New York. [Scale: 1:3,168,000]) [#]

FARM AND OPEN SPACE TAX LAW (36 MRSA, §1101-1121): Provides for the tax valuation of farm land based on the current use value as agricultural land. Provides for incremental reductions in valuation of Open Space land that restrict uses to conserve scenic resources, public recreation opportunities, promote game management, or preserve wildlife habitat. In both cases the municipal tax assessor determines the 100 percent valuation. [†]

FOREST -Area managed for the production of timber and other forest products or maintained as wood vegetation for such indirect benefits as protection of catchment areas or recreation.*

FOREST - (A) The property or portions of a property that is under certificate or being assessed for certification; the corresponding FSC International nomenclature is "Defined Forest Area." (B) Generally, an ecosystem characterized by tree cover; more particularly, a plant community predominantly of trees and other woody vegetation that is growing closely together. #

FORESTATION -Establishment of a forest, naturally or artificially, on an area, whether previously forested or not.*

FOREST INTEGRITY - The composition, dynamics, functions and structural attributes of a natural forest. #

FOREST LAND: Land at least 10 percent stocked by trees of any size or formerly having had such tree cover and not currently built-up or developed for agricultural use. Forestland may include Grassland, Shrubland, Treeland, Wetland, and/or Barren land. Examples of forest land use are grazing, recreation, and timber production. See **FOREST LAND CLASS** for further breakdowns.*

FOREST LAND CLASS: A classification of an area based upon its capability of producing industrial wood (i.e., all commercial roundwood products except fuelwood), its legal status concerning timber utilization, and its proximity to urban and rural development. Classes include: *

Timberland: Forest land that is producing or capable of producing in excess of 20 cubic feet per acre per year of industrial wood crops under natural conditions, that is not withdrawn from timber utilization, and is not associated with urban or rural development. Currently inaccessible and inoperable areas are included.

Reserved Timberland: Public forest land, not associated with urban or rural development, that produces or is capable of producing in excess of 20 cubic feet per acre of industrial wood crops under natural conditions, on which statutory or administrative restrictions prohibit the harvest of trees.

Other Forest Land: Forest land not capable of producing 20 cubic feet per acre per year of industrial wood crops under natural conditions and not associated with urban or rural development. These sites often contain tree species that are not currently utilized for industrial wood production or trees of poor form, small size, or inferior quality that are unfit for industrial products. Unproductivity may be the result of adverse site conditions such as sterile soil, dry climate, poor drainage, high elevation, and rockiness. This land may or may not be withdrawn from timber utilization.

Urban Forest Land: Forest land closely associated with or in such proximity to urban non-forest land uses that is not likely to be managed for the production of industrial wood products on a continuing basis. Wood removed would be for land clearing, fuelwood, or aesthetic purposes. Such forest land may be associated with industrial, commercial, residential, or recreational non-forest uses. The ecological character of the forest remains intact, i.e., the understory has not been removed or altered enough to preclude forest succession or replanting. Residential subdivisions, industrial parks, golf course perimeters, airport buffer strips, and public urban parks that qualify as forest land are included.

Developed Rural Forest Land: Forest land closely associated with or in such proximity to rural non-forest land uses that is not likely to be managed for the production of industrial wood products on a continuing basis. Wood removed would be for land clearing, fuelwood, or aesthetic purposes. Such forest land is usually associated with agricultural, recreational, or residential non-forest uses but may be associated with industrial or commercial uses as well. Examples of such non-forest uses include cropland, home sites, camping areas, and farmsteads. The ecological character of the forest remains intact, i.e., the understory has not been removed or altered enough to preclude forest succession or replanting.

FOREST MANAGEMENT - (a) Proper care and control of wooded land to maintain health, vigor, product flow, and other values (soil condition, water quality, wildlife preservation, and beauty) in order to accomplish specific objectives. (b) The practical application of scientific, economic, and social principles to forest property. *

FOREST MANAGEMENT: Manipulation of the forest to achieve certain objectives, such as timber production, wildlife habitat enhancement, maintaining forest health, or conserving biodiversity. †

FOREST MANAGEMENT/MANAGER: The people responsible for the operational management of the forest resource and of the enterprise, as well as the management system and structure, and the planning and field operations. ‡

FOREST PRACTICE -Any activity that enhances and/or recovers forest growth or harvest yield, such as site preparation, planting, thinning, fertilization, and harvesting.

-Road construction or reconstruction within forest lands for the purpose of facilitating harvest or forest management.

-Any management of slash resulting from the harvest or improvement of tree species. *

FOREST PRACTICES ACT (12 MRSA CHAPTER 805, SUBCHAPTER III-A: FOREST PRACTICES): The Maine Forest Practices Act (FPA) was adopted in 1989 to: 1) ensure adequate regeneration of commercial tree species within five years of completion of any timber harvest, 2) regulate the size and impact of clearcut timber

harvesting. The law defines a clearcut, and authorizes the Department of Conservation to develop rules to establish performance standards for clearcuts. [†]

FOREST STEWARDSHIP PLAN - A written document listing activities that enhance or improve forest resources (wildlife, timber, soil, water, recreation, and aesthetics) on private land over a 5-year period. *

FOREST STEWARDSHIP PROGRAM - A cooperative, technical-assistance program designed to encourage multiple resource management on private forestland. Emphasis is placed on pre-harvest planning to enhance and protect forest-based resources. Authorized under the 1990 Farm Bill, the program is based on national guidelines but is set by individual states. *

FOREST TYPE - Groups of tree species commonly growing in the same stand because their environmental requirements are similar. North Carolina examples include pine and mixed hardwood; cypress, tupelo, and black gum; and oak and hickory. *

FORESTRY - The science, art, and practice of managing and using trees, forests, and their associated resources for human benefit. *

FORESTRY INCENTIVES PROGRAM (FIP) - A federally funded cost-sharing program of the Agricultural Stabilization and Conservation Service (ASCS). FIP provides payments to landowners who complete certain approved forest management practices, including site preparation, tree planting, and timber stand improvement (TSI). *

FOREST RESIDUALS -Sum of wasted and unused wood in the forest, including logging residues; rough, rotten, and dead trees; and annual mortality (35).
-Unmerchantable material normally left following conventional logging operations other than whole-tree harvesting.*

FOREST TYPE -Classification of forest land in terms of potential cubic-foot volume growth per acre at the culmination of mean annual increment (C.M.A.I.) in fully stocked natural stands.

-Classification of forest land based on the species forming a plurality of live-tree stocking. Type is determined on the basis of species plurality of all live trees that contribute to stocking *.

FRAGMENTATION: The process, through cutting or natural processes, of reducing the size and connectivity of stands that compose a forest or landscape. Fragmentation has two negative components for biota: loss of total habitat area, and smaller, more isolated remaining habitat patches. [†]

GENETICALLY MODIFIED ORGANISMS: Biological organisms which have been induced by various means to consist of genetic structural changes. [‡]

GROWTH -Increase in diameter, basal area, height, and volume of individual trees or stands during a given period of time. Also known as increment.*

HABITAT - (a) An area in which a specific plant or animal can naturally live, grow, and reproduce. (b) For wildlife, habitat is the combination of food, water, cover, and space.*

HARDWOODS (DECIDUOUS TREES) - Trees with broad, flat leaves as opposed to coniferous or needled trees. Wood hardness varies among the hardwood species, and some are actually softer than some softwoods.*

HERBICIDE: A pesticide used for killing or controlling the growth of plants. †

HIGH CONSERVATION VALUE FORESTS - High Conservation Value Forests are those that possess one or more of the following attributes:

a) forest areas containing globally, regionally or nationally significant: concentrations of biodiversity values (e.g., endemism, endangered species, refugia); and/or large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance .

b) forest areas that are in or contain rare, threatened or endangered ecosystems

c) forest areas that provide basic services of nature in critical situations (e.g., water- shed protection, erosion control)

d) forest areas fundamental to meeting basic needs of local communities (e.g., subsistence, health) and/or critical to local communities' traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities). #

HIGH GRADE -Good quality timber. To cut the cream of the crop; take only the best trees out of the stand.*

HIGH-GRADING - A harvesting technique that removes only the biggest and most valuable trees from a stand and provides high returns at the expense of future growth potential. Poor quality, shade-loving trees tend to dominate in these continually high-graded sites.*

HIGH-GRADING: An exploitive logging practice that removes only the best, most accessible, and commercially valuable trees in the stand, often resulting in a poor-quality residual stand. †

HIGH-YIELD FOREST PRACTICES: The management of stands where spacing (stocking), density and species composition are controlled via significant investment in pre-commercial treatments such as planting or spacing, for the purpose of increasing timber yields to at least 0.8 cords/acre/year (mean annual increment). [†]

INDIGENOUS LANDS AND TERRITORIES: The total environment of the lands, air, water, sea, sea-ice, flora and fauna, and other resources which indigenous peoples have traditionally owned or otherwise occupied or used. (Draft Declaration of the Rights of Indigenous Peoples: Part VI) [‡]

INDIGENOUS PEOPLES: "The existing descendants of the peoples who inhabited the present territory of a country wholly or partially at the time when persons of a different culture or ethnic origin arrived there from other parts of the world, overcame them and, by conquest, settlement, or other means reduced them to a non-dominant or colonial situation; who today live more in conformity with their particular social, economic and cultural customs and traditions than with the institutions of the country of which they now form a part, under State structure which incorporates mainly the national, social and cultural characteristics of other segments of the population which are predominant." (Working definition adopted by the UN Working Group on Indigenous Peoples). [‡]

INTACT OLD-GROWTH FOREST - A forest that is unroaded or lightly roaded, with no evidence of previous logging, and of sufficient size and configuration to maintain ecological integrity-500 acres or larger in size. Such forests differ from old-growth ~ (see Glossary) in that they are not only rare but are also large enough to maintain significant biological diversity, genetic diversity, and a broad array of ecological functions on given acres through long periods of time. [#]

INTEGRITY - The state of being unimpaired; soundness; completeness; unity. [#]

INTENSIVE FOREST MANAGEMENT -Utilization of a wide variety of silvicultural practices, such as planting, thinning, fertilization, harvesting, and genetic improvement, to increase the capability of the forest to produce fiber. ^{*}

INTENSIVE FORESTRY - The practice of forestry to obtain a high level of volume of wood products per unit of area; accomplished through the application of the best techniques of silviculture and management. [#]

LANDSCAPE: A geographical mosaic composed of interacting ecosystems resulting from the influence of geological, topographical, soil, climatic, biotic and human interactions in a given area. [‡]

LARGE FOREST - A forest that is at least 50,000 acres in size. [#]

LOCAL LAWS: Includes all legal norms given by organisms of government whose jurisdiction is less than the national level, such as departmental, municipal and customary norms. ‡

LONG TERM: The time-scale of the forest owner or manager as manifested by the objectives of the management plan, the rate of harvesting, and the commitment to maintain permanent forest cover. The length of time involved will vary according to the context and ecological conditions, and will be a function of how long it takes a given ecosystem to recover its natural structure and composition following harvesting or disturbance, or to produce mature or primary conditions. ‡

LIQUIDATION HARVESTING: The purchase of timberland followed soon thereafter by the removal of most or all commercial value in standing timber, and subsequent attempted resale of harvested land. †

MANAGED FOREST - A forest that has been brought under management to accomplish specified objectives. #

MAINE COUNCIL ON SUSTAINABLE FOREST MANAGEMENT: Was established by Executive Order of Governor Angus King in April 1995. The Council was charged with four tasks:

- (1) Define forest sustainability in practical terms feasible for implementation by all landowners,
- (2) Recommend criteria and goals to ensure a sustainably managed forest,
- (3) Recommend a methodology for the Department of Conservation to monitor landowner's progress toward achievement of forest sustainability goals, and
- (4) Review and assess Maine's forest practices rules and regulations for their adequacy in achieving sustainable forest management, and recommend changes where necessary.

The Council issued its final report in July 1996, "Sustaining Maine's Forests: Criteria, Goals, and Benchmarks for Sustainable Forest Management." †

MASTER LOGGER PROFESSIONAL: Designation awarded after field based assessment has been completed by third party team of assessors. (MLP) This voluntary designation indicates an intention to support from tree to roadside the chain of custody of wood for certification purposes. This designation is not based on knowledge and skill only but on active harvesting practice. **

MID-SIZED FOREST - A forest between 5000 and 50,000 acres in size. #

MIXED STAND - A timber stand in which less than 80 percent of the trees in the main canopy are of a single species. *

MULTIPLE USE - The management of land or forest for more than one purpose, such as wood production, water quality, wildlife, recreation, aesthetics, or clean air. *

MULTIPLE-USE FORESTRY -Concept of forest management that combines two or more objectives, such as production of wood or wood-derivative products, forage and browse for domestic livestock, proper environmental conditions for wildlife, landscape effects, protection against floods and erosion, recreation, and protection of water supplies.*

MULTIPLE-USE MANAGEMENT -Management of land resources with the objective of achieving optimum yields of products and services from a given area without impairing the productive capacity of the site.*

NATIVE SPECIES: A species that occurs naturally in the region; endemic to the area. ‡

NATURAL CYCLES: Nutrient and mineral cycling as a result of interactions between soils, water, plants, and animals in forest environments that affect the ecological productivity of a given site. ‡

NATURAL FOREST: Forest areas where many of the principal characteristics and key elements of native ecosystems such as complexity, structure and diversity are present, as defined by FSC approved national and regional standards of forest management. ‡

NATURAL REGENERATION: The reestablishment of a plant or plant age class from natural seeding, sprouting, suckering, or layering. ‡

NET ANNUAL GROWTH -Increase in volume of trees during a specified year. Components of net annual growth include the increment of net volume of trees at the beginning of the specified year that survive to the year s end, plus the net volume of trees reaching the minimum size class during the year, minus the volume of trees that died during the year, and minus the net volume of trees that become rough or rotten trees during the year.*

NONCOMMERCIAL SPECIES -Tree species in which small size, poor form, or inferior quality is typical. These species do not normally develop into trees suitable for conventional forest products.*

NON-TIMBER FOREST PRODUCTS: All forest products except timber, including other materials obtained from trees such as resins and leaves, as well as any other plant and animal products. ‡

NUTRIENT CYCLING - The circulation of elements, such as nitrogen and carbon, via specific pathways from abiotic to biotic portions of the environment and back again; all mineral and nutrient cycles involving human, animals, and plants-such as the carbon cycle, phosphorous cycle, and nitrogen cycle. [#]

OTHER FOREST TYPES - Forest areas that do not fit the criteria for plantation or natural forests and which are defined more specifically by FSC-approved national and regional standards of forest stewardship. [#]

PARTIAL CUT: A process whereby only part of a stand is removed during each harvest operation. Partial cutting is not considered a regeneration method. [†]

PATHOGEN - Any agent that causes disease, especially microorganisms, such as bacteria or fungi. [#]

PESTICIDE - A substance used to kill or control harmful, competitive, or destructive organisms. [#]

PESTICIDES: Any substance or mixture of substances intended to prevent, destroy or repel any undesirable animal species, usually an insect. A pesticide may also be any substance or combination of substances intended for use as a plant regulator, defoliant, or desiccant. [†]

PLANTATION: Forest areas lacking most of the principal characteristics and key elements of native ecosystems as defined by FSC-approved national and regional standards of forest stewardship, which result from the human activities of either planting, sowing or intensive silvicultural treatments. [‡]

PLANTING: A technique for the artificial reestablishment of trees on a harvested or non-forested site. [†]

PRECOMMERCIAL THINNING: Removing some of the trees from a stand that are too small to be sold for timber, to reduce stocking in order to concentrate growth on the remaining trees. [†]

PRINCIPLE - An essential rule or element; in FSC's case, of forest stewardship. [#]

PUBLIC LAND - Any land, including public forestland, held in government ownership in trust for the citizens of a city, county, state, or nation. [#]

PUBLIC TRUST RESOURCES: Natural resources that remain in the public domain, even though they may occur on privately-owned lands. Examples include air, water, fish and wildlife. [†]

RECREATION OPPORTUNITY CLASS: An assessment of the general potential of the site for outdoor recreation. The following minimum number of classes are recognized: ^{*}

Primitive: Area characterized by essentially unmodified natural environment with a high probability of experiencing isolation from the sights and sounds of man.

Roaded Natural: Area is characterized by a predominantly natural or natural-appearing environment with a low probability of experiencing isolation from the sights and sounds of man.

Rural: Area characterized by a substantially modified natural environment with a low probability of experiencing isolation from the sights and sounds of man.

Semi-primitive: Area characterized by a predominantly natural or natural-appearing environment with a moderate probability of experiencing isolation from the sights and sounds of man.

Urban: Area characterized by a substantially urbanized environment, although the background may have natural-appearing elements.

RECREATION USE: The primary type of recreation use observed in the vicinity of the sample unit. ^{*}

REFORESTATION - Reestablishing a forest by planting or seeding an area from which forest vegetation has been removed. ^{*}

REGENERATION: Seedlings or saplings existing in a stand; or the act of establishing young trees naturally or artificially. Renewal of a forest by either natural or artificial means. [†]

REGENERATION CUT - A cutting strategy in which old trees are removed while favorable environmental conditions are maintained for the establishment of a new stand of seedlings. ^{*}

RELATIVELY UNDISTURBED: Forested sites with intact soil duff layers that have not experienced harvesting for at least 20 years. [†]

RESIDUAL STAND - Trees left in a stand to grow until the next harvest. This term can refer to crop trees or cull trees. *

RESTORATION - The process of modifying a habitat or ecosystem to introduce or reintroduce composition, structures, and functions that are native to the site. #

RIPARIAN ZONE: The land immediately adjacent to a perennial or intermittent body of water. Riparian zones can: †

- (1) store water and help reduce flooding,
- (2) stabilize stream banks and improve water quality by trapping sediment and nutrients,
- (3) shade streams and help maintain water temperature for fish habitats,
- (4) provide shelter and food for birds and other animals,
- (5) support productive forests which can be periodically harvested, and
- (6) can be used as recreational sites.

RIPARIAN ZONE - An area identified by the presence of vegetation that requires free or unbound water or conditions more moist than normally found in the area. #

SELECTION HARVEST: An uneven-aged silvicultural system that regenerates and maintains a multi-aged structure by removing some trees in all size classes either singly, in small groups, or in strips. †

SELECTION SYSTEM -Uneven-aged silvicultural system in which single or small groups of trees are periodically selected to be removed from a large area so that age and size classes of the reproduction are mixed. *

SELECTION THINNING -Removal of dominants that have exceeded the diameter limit prescribed, in favor of smaller trees with good growth form and condition. This will promote conversion to a selection forest. *

SELECTIVE CUTTING - The periodic removal of individual trees or groups of trees to improve or regenerate a stand. *

SEMI-NATURAL FOREST - A forest ecosystem containing many of the characteristics of native ecosystems. Semi-natural forests exhibit a history of human disturbance (e.g., harvesting or other silvicultural activities) and make up a considerable percentage of the managed and unman aged forestland in the Southeastern United States. #

SHELTERWOOD: An even-aged silvicultural system by characterized by the cutting of most trees, leaving those needed to produce sufficient shade to produce a new age class in a moderated micro-environment. The sequence of harvest treatments can include three types of cuttings: (a) an optional preparatory cut to enhance conditions for seed

production, (b) an establishment cut to prepare the seed bed and to create a new age class, and (c) a removal cut to release established regeneration from competition with the overstory. Cutting may be done uniformly throughout the stand, in groups or patches, or in strips. [†]

SILVICULTURE - The art, science, and practice of establishing, tending, and reproducing forest stands of desired characteristics. It is based on knowledge of species characteristics and environmental requirements. ^{*}

SILVICULTURE: The art and science of controlling the establishment, growth, composition, health, and quality of forests to meet the diverse needs and values of landowners and society on a sustainable basis. [†]

SILVICULTURE: The art of producing and tending a forest by manipulating its establishment, composition and growth to best fulfill the objectives of the owner. This may, or may not, include timber production. [‡]

SMALL FOREST - A forest up to 5,000 acres in size. [#]

SPECIES - A unit of classification on plants and animals consisting of the largest and most inclusive array of sexually reproducing and cross-fertilizing individuals that share a common gene pool; the most inclusive Mendelian population. [#]

SPECIES COMPOSITION - The species that occur on a site or in a successional or vegetative stage of a plant community. [#]

STAND - Plant communities, particularly of trees, sufficiently uniform in composition, constitution, age, spatial arrangement, or condition to be distinguished from adjacent communities; also, may delineate a silvicultural or management entity. [#]

STEWARDSHIP: The administration of land and associated resources in a manner that enables their passing on to future generations in a healthy condition. [†]

STEWARDSHIP INCENTIVE PROGRAM (SIP) - A cost-sharing program available to forest landowners who have a multi-resource forest stewardship plan. Practices include cost-sharing assistance for the enhancement of forest recreation, fisheries, wildlife, and timber production and the protection of soil and water, wetlands, riparian zones, and rare and endangered species. ^{*}

STAND CONDITION: A classification of forest stands based upon the age of maturity and structure of the overstory and understory. ^{*}

Old-Growth Stands: Ecosystems distinguished by old trees and related structural attributes. Old growth encompasses the later stages of stand development which

typically differ from earlier stages in a variety of characteristics that may include tree size, accumulations of large dead woody material, number of canopy layers, species composition, and ecosystem function. The age at which old growth develops and the specific structural attributes that characterize old growth will vary widely according to forest type, climate, site conditions and disturbance regime. For example, old growth in fire-dependent forest types may not differ from younger forests in the number of canopy layers or accumulation of down woody material. However, old growth is typically distinguished from younger growth by several of the following structural attributes:

- Large trees for species and site.

- Wide variation in tree sizes and spacing.

- Accumulations of large-size dead standing and fallen trees that are high relative to earlier stages.

- Decadence in the form of broken or deformed tops or bole and root decay.

- Multiple canopy layers.

- Canopy gaps and understory patchiness.

Young-Growth Stand: Any forested stand not meeting the definition of old growth.

STAND STRUCTURE: A description of the distribution and representation of stand age and stand size classes within a stand. *

Even-Aged Single Storied: Theoretically, stands in which all the trees are one age. In actual practice, these stands are marked by an even canopy of uniform height characterized by intimate competition between trees of approximately the same size. The smaller trees are usually tall spindly members of the stand that have fallen behind their associates. The greatest number of stems are in a diameter class represented by the average of the stand; there are fewer trees in the classes above and below this mean. A single even canopy characterizes the stand. The greatest number of trees are in a height class represented by the average height of the stand; there are substantially fewer trees in height classes above and below this mean. The ages of the trees usually do not differ by more than 20 years.

Even-Aged Two-Storied: Stands composed of two distinct canopy layers, such as, an overstory and understory sapling layer possibly from seed tree and shelterwood operations. This may also be true in older plantations where tolerant hardwoods may become established as management intensity decreases (burning and other means of understory control). Two relatively even canopy levels can be recognized in the stand. The frequency distribution of trees by height class tends to be bimodal. Understory or overtopped trees are common. Neither canopy level is necessarily continuous or closed, but both canopy levels tend to be uniformly distributed across the stand. The average age of each level differs significantly from the other.

Uneven-Aged: Theoretically, these stands contain trees of every age on a continuum from seedlings to mature canopy trees. In practice, uneven-aged stands are characterized by a broken or uneven canopy layer. Usually the largest number of trees is in the smaller diameter classes. As trees increase in diameter, their numbers diminish throughout the stand. Many times, instead of producing a negative exponential distribution of diminishing larger diameters, uneven-aged stands behave irregularly with waves of reproduction and mortality. Consider any stand with 3 or more structural layers as uneven-aged. Logging disturbance (examples are selection, diameter limit and salvage cutting) will give a stand an uneven-aged structure.

Mosaic: At least two distinct size classes are represented and these are not uniformly distributed, but are grouped in small repeating aggregations, or occur as stringers less than 120 feet wide, throughout the stand. Each size class aggregation is too small to be recognized and mapped as an individual stand. The aggregations may or may not be even-aged.

STUMPAGE - The value or volume of a tree or group of trees as they stand uncut in the woods (on the stump).*

SUSTAINABLE FORESTRY: Forest management that enhances and maintains the biological productivity and diversity of Maine's forests, thereby assuring economic and social opportunities for this and future generations. It takes place in a large ecological and social context and achieves a balance between landowners' objectives and society's needs.
†

SUSTAINED YIELD - Management of forestland to produce a relatively constant amount of wood products, revenue, or wildlife.*

SUSTAINED YIELD: A regular and continuing supply of timber (or other desired goods or services) to the full capacity of the forest and without impairing the capability of the land. †

THINNING: A cutting made in an immature stand of trees to reduce stand density primarily to improve growth of the remaining trees, enhance forest health, or recover potential mortality. †

THREATENED SPECIES - Any species, which is likely to become endangered within the foreseeable future throughout all or a significant portion of its range. #

TREE GROWTH TAX LAW (36 MRSA §571-584-A.): Provides for the tax valuation of forest land on the basis of the land's productivity value, rather than on fair market value. The State tax assessor determines tree growth valuation for each forest type on a

county basis. Municipalities apply their own tax to the tree growth valuation to determine taxes due on the land. †

USE RIGHTS: Rights for the use of forest resources that can be defined by local custom, mutual agreements, or prescribed by other entities holding access rights. These rights may restrict the use of particular resources to specific levels of consumption or particular harvesting techniques. ‡

WATER QUALITY - The quality of water determined by a series of standard parameters- turbidity, temperature, bacterial count, pH, and dissolved oxygen. #

WILDLIFE - A broad term that includes non-domesticated vertebrates, especially mammals, birds, and fish. *

WETLAND: Those areas that are inundated by surface or ground water with a frequency sufficient to support, and under normal circumstances do or would support, a prevalence of vegetation or aquatic life that requires saturated soil conditions for growth and reproduction. Wetlands generally include swamps, marshes, bogs, and similar areas such as sloughs, potholes, wet meadows, river overflows, mud flats, and natural ponds. *

ACRONYM LIST ²⁵

AF&PA: American Forest & Paper Association

ANSI: American National Standards Institute

ATFS: American Tree Farm System

BMP: Best Management Practices

CSA: Canadian Standards Association

EA: Environmental Auditor

EMS: Environmental Management System

EMS-A: Environmental Management Systems Auditor

EMS: LA Environmental Management Systems Lead Auditor

EPA Environmental Protection Agency

²⁵ Meridian Institute. 2001. *Comparative Analysis of the Forest Stewardship Council and Sustainable Forestry Initiative Certification Programs, Volume I, Introduction and Consensus Statement on Salient Similarities and Differences Between the Two Programs.* pp. 64.

E-PA: Environmental Auditor: Provisional

ERP: External Review Panel

FMP: Forest Monitoring Project

FSC: Forest Stewardship Council

FSC-US: Forest Stewardship Council U.S. Working Group

ISO: International Standards Organization

NAP: National Accreditation Program

NGO: Non-Governmental Organizations

P&C: Principles and Criteria

RAB: Registrar Accreditation Board

SFB: Sustainable Forestry Board

SFI: Sustainable Forestry Initiative

SIC: State Implementation Committee

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Public Comments Received

Prior to a formal release of the Council's report a draft report was made available to elicit public comment. This section presents the comments received by the Council. The Council wishes to thank everyone who took the time to consider its work and offer their thoughts.

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3/27/02

To: The Speaker's Advisory Council on Forest Certification

From: Dr. Mario Teisl, Assistant Professor, and Kelly O'Brien, Research Associate,
Resource Economics and Policy Dept., University of Maine

Re: Public Comments to *Forest Certification in Maine: Report of the Speaker's
Advisory Council on Forest Certification, January 2002*

To the Council,

Upon review of the draft report we have found several items that merit further explanation, discussion or investigation.

- Page 4 – “Consumer demand and pressure for certified forest products has not developed as quickly as was initially anticipated.”

We agree that a market has not currently developed for certified forest products. There are two possible reasons for this. First, consumers may not hold preferences, or be willing to pay, for environmentally preferred forest management practices. However, several studies indicate that there is a demand for environmentally certified forest products and consumers are willing to pay a premium for these products. This finding is significant in that any premiums for these products may help to offset the various costs involved in the certification of forests and forest products.

Another reason that a market has not yet developed is that the current environmental marketing strategy used by forest product manufacturers is not effective. Currently, the

strategy has focused on displaying an eco-seal from the Forest Stewardship Council or the American Forest and Paper Association, typically on higher-end, less-frequently purchased products. However, research indicates that 1) simple eco-seal type labels are not particularly effective; 2) few individuals are familiar with any of the current certifying groups or with the criteria they use in awarding the certification; and 3) consumers may be more willing to weigh environmental factors into their purchasing decisions for less-expensive, more frequently purchased, products. As a result, the current eco-labeling situation may preclude the development of a market and the collection of an actual premium. Parties who are interested in the long-run success of these programs (e.g., environmental organizations, forest products manufacturers and environmental certifiers) need to consider altering current labeling approaches.

- Page 5 – “Encourage Market Development for Certified Wood Products”

Here, the question is what activities should stakeholders perform to develop a market for these products. As stated previously, current efforts to this end are relatively simple and uninformative. We support the idea of public reporting. Providing supplemental information about the certification process may contribute significantly to consumer understanding of, and preferences for, certified forest products. However, the addition of this type of information will not impact actual consumer decisions unless current labeling practices are altered. Labeling strategies need to be altered so consumers can effectively differentiate across products; public reporting alone does not advance this end.

- Page 13 – “Public Disclosure of Audit Results of Forest Conditions and Activities”

A recommendation is made that audit results should be made available to the public. We support this type of public disclosure because it may increase consumer awareness and understanding of forest certification. In addition, providing information about the criteria used in the certification process may alter the importance consumers place on these attributes. However, we also feel that current labeling practices need to be altered so consumers can effectively alter their purchasing behavior. Specifically, public reporting does not link the results of the report to the specific products available in the market.

- Page 16 – “Genetically Modified Organisms”

The phrase “Genetically Modified Organisms” has been found to be vague and misleading. As “genetic modification” refers specifically to trees, we recommend that “Genetically Modified Organisms” be changed to “Genetically Modified Trees”.

- Page 26 – “Certifiers for both systems have at times tended to release reports not easily interpreted by readers unfamiliar with the certification system used or the technical aspects of forest management...”

The question here is: to whom are the reports, released by certifiers and landowners, addressed? One reason that landowners may choose to disclose the results of certification is to satisfy the concerns of environmental groups and regulators. If present reports are primarily released for this purpose then the current technical nature of these public disclosures may be acceptable. However, if public reporting is undertaken as part of a larger consumer outreach effort, then we agree that such information should be tailored to be more useful and transparent to the average consumer.

- Page 28 – “Most landowners and mills that have become certified report disappointment with the pace of development of demand.”

As noted previously, it may be the case that there is a demand for certified forest products, however, if consumers are unaware of, or distrustful of, certification claims, then a market for these products is hindered. In order for forest product certification programs to be effective, not only must consumers hold preferences for certain environmental amenities, they must also understand, believe and be able to use the specific information presented to them by the forest product manufacturer. Unlike other quality attributes which consumers can verify before purchase or shortly after purchase, the promise of improved forestry practices is impossible for most consumers to verify. Hence, the success of forest product certification programs uniquely hinges on forest product companies being able to credibly and effectively communicate to the consumer that forestry practices have been altered. Therefore, current marketing, outreach, and advertising efforts with respect to these products, is likely not sufficient or credible to satisfy consumer preferences.

- Page 29 – “The forest industry has been receiving inquiries for a labeled product from its high volume lumber and paper customers.”

In our own research efforts, we found that consumers were more likely to consider the environmental attributes of more frequently purchased products. There are several reasons cited for this. First, participants noted a greater feeling of “making a difference” when they purchased an environmentally labeled brand of a frequently purchased product. Second, consumers are more likely to place greater emphasis on other (non-environmental) product characteristics when purchasing higher-end (which are often less-frequently purchased) products. For example, there is probably little discernable difference in the use characteristics across certified and non-certified copier papers. However, a consumer is likely to be more concerned with the style, grain, stain and price of a dining room table than its environmental certification status. With this in mind, certification efforts may be relatively more effective in marketing lower-end, more frequently purchased products.

- Page 30 – “We urge that the State government set in motion a multi-stakeholder review to design a nuance, businesslike, and workable Green purchasing policy for its wood product and paper needs.”

The State should also make an effort to encourage the Federal government to include certification status as a criterion for Federal purchases.

- Page 33 – “Independent, thorough, and objective public reporting is essential to a credible certification system. Both systems can use the delivery of comprehensive and informative reports to better inform the public.”

It is recommended that increased and improved labeling efforts accompany this recommendation.

- General Recommendations –

This report states that several manufacturers in the Northeast have cut back or dropped certified lines because of a lack of consumer demand. It may be that poor market performance is due to the nature of current eco-labeling strategies. As consumers become increasingly aware of and concerned for the sustainability of forest management practices, an opportunity becomes available to the forest products industry to address these concerns and provide the means by which consumers can satisfy them.

A fundamental understanding of the concerns of consumers and what factors possibly motivate these concerns is imperative to the success of such a market. Ultimately, environmental certification programs are successful if they effectively communicate aspects of forest management practices of most concern to the consumer. If the current eco-labeling situation precludes the development of a market and the collection of an actual premium then parties interested in the long-run success of these programs need to consider altering current labeling approaches.



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To: Speaker's Advisory Council on Forest Certification

Re: Draft Report dated January 2002

Following a review of the Report of the Speaker's Advisory Council on Forest Certification, the Maine Forest Products Council (MFPC) would like to commend the Speaker's Council for, in a relatively short period of time, attempting to understand the history, development, and role of, the forest certification programs currently active in Maine. As the Report rightly concludes, forest certification is a rapidly evolving issue which has already gone far toward assuring the public, both in Maine and elsewhere, that forests are being managed sustainably for future generations.

MFPC would like to offer two comments on the Speaker's Advisory Council's report. The first is a clarification of the role that MFPC plays in publicizing the results of certification audits in Maine. Contrary to the Report's assertion, MFPC posts both SFI *and* FSC reports on its website. MFPC does not discriminate between the certification systems currently active in Maine. It has members who have participated, and are participating, in the full range of available programs, and it supports all certification

programs as a valuable means of assuring the public that forests are being managed for both public and private values.

The second comment concerns a statement made on Page 13 of the Report. Specifically, in the list of elements which the Speaker's Council believes should be a part of all certification systems, there is the following statement: "***Credible Audit Standards:*** *The certification system documents that the goal of forest management is . . . (Item C) Sustaining public values and benefits, such as local economies and traditional recreational use.*"

While MFPC agrees that sustaining public values and benefits is one of the goals of forest management systems, it believes that the responsibility of these systems should not be enlarged to include issues related to the stability of local economies. Obviously, there is a strong link between the health of forests, the stability of the forest products industry, and the economic and social prospects for the communities that rely on the forest products industry. Indeed, given the often long distances between forest-dependent communities and other economic opportunities, the forest products industry is often one of the few options a community has for good jobs and a sustainable tax base. There is a difference, however, between recognizing these social relationships and incorporating requirements surrounding those relationships into a system designed primarily to judge the management of natural ecosystems.

MFPC recognizes that the FSC incorporates concerns for "community relations and worker's rights" as one of its guiding principles, but a look at the history and development of the program demonstrates that the source of those concerns stems largely from the fact that FSC operates in parts of the world where there are few, if any, legal or political systems where issues such as worker's rights can be thoroughly addressed. That is not the case in the United States --or, for purposes of this Report, in Maine -- where there exists an advanced network of legal channels designed specifically to address these issues. Community relations and worker's rights, as well as other issues such as economic stability, are clearly valid concerns, but they are inappropriately applied as criteria upon which to judge forest management companies when there are more suitable venues for those concerns.

Moreover, in so far as the Maine public understands anything about forest certification programs, it understands them as programs concerned with the sustainable management of forests. It is somewhat misleading to describe a forest certification program as concerned about sustainable forests when it incorporates a broader range of agendas.

On one level, it is understandable why some might be tempted to base part of a judgment of a forest management company on its relationship with the community and economy which relies heavily on that company for support. Again, many of these communities are far from other options. A single landowner, however, should not be asked to bear the responsibility of concerns which are more suitably addressed by federal, state, or local government, or by the efforts of a broad range of NGOs.

As forest certification programs continue to evolve in Maine, MFPC looks forward to assisting in whatever way it can in the advance of these programs, as well as to working together with all those who are concerned with keeping the Maine woods productive and healthy for the present and sustained for future generations.